Daily Report

East Europe

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FBIS-EEU-95-073 *17 April 1995*

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Berisha, Rugova on Solving Kosovo Issue

AU1404175195 Tirana Radio Tirana Network in Albanian 1330 GMT 14 Apr 95

[FBIS Translated Text] The presidency Press and Information Office reports that President Berisha held a meeting with President Rugova at noon today. At that meeting, the two men discussed the development of reforms and their course, the extremely difficult situation of Albanians in Kosova, and the crisis in the region. Both presidents think the problem of Kosova must be considered an essential problem. They reiterated that there can be no solution to the Balkan crisis without the just solution of the Kosova issue. They also underlined that the development of dialogue between Prishtina and Belgrade in the presence of a third party is imperative to avoid further a further deterioration of the situation.

President Berisha stressed that he would consider step the abolition of exit visas for Albania by Belgrade authorities a positive step.

For his part, President Rugova expressed positive assessments about the improvement of relations and the climate of understanding that exists between Albania and Greece. He said he considers cooperation and friendship between the two countries to be an important factor for stability in the region.

During the meeting, President Berisha appraised highly the efforts of President Rugova and the political forces in Kosova toward a democratic solution to the Kosova problem, and stressed that the Albanian Government has insisted and will continue to insist on respect for the freedoms and human and national rights of Albanians in Kosova and in the former Yugoslavia in general.

Shkoder Customs Enforcing Embargo 'Rigorously'

AU1504130895 Tirana TVSH Television Network in Albanian 1800 GMT 14 Apr 95

[Report by Kujtim Dracini]

[FBIS Translated Text] The border crossing point of Hani i Hotit, the only one connecting Albania to Montenegro, continues to remain blocked to the transit, import, and export of all kinds of goods, thus observing the embargo against the former Yugoslavia.

Engjell Ceka, chairman of the Shkoder Customs Department, said that the implementation of sanctions against Serbia and Montenegro began after government Decision No. 291, dated 14 June 1993. According to Mr. Ceka, the Shkoder customs authorities have taken every measure to enforce the government's decision rigorously. At the Hani i Hotit border crossing point, no kind of merchandise passes toward Montenegro.

To implement this decision, customs employees exert control on all small vehicles as well as physical persons traveling to Montenegro as visitors. Automobile tanks have recently become the target of checks recently; vehicles with enlarged tanks are not allowed to cross the border. The blockage of the border crossing point has forced smugglers to operate along the water border between Albania and Montenegro, a smuggling that is being fought by the finance police in cooperation with the border police.

Police services have been organized in various places where the movement of traffickers is possible. During the entire time, these services are carried out in the presence of observers of the SAM [Sanctions Assistance Mission], a European commission.

Mr. John (Guanter), SAM representative in Albania, told us that smuggling has been reduced to a considerable degree and that customs has managed to completely minimize it. (Guanter0 stated: The opinion of our group is that the finance police do their utmost to stop smuggling, but their success depends on the means at their disposal, which in our opinion are insufficient and inappropriate for such a border area, which is connected to a very large water border.

Annual Budget Said Meant To 'Angle Votes'

AU1604150395 Tirana KOHA JONE in Albanian 6 Apr 95 p 3

[Article by Emin Barci: "The National Intelligence Service, Public Order, and Defense—Privileged in the Budget"]

[FBIS Translated Text] The state budget for the current year has finally been approved. Its main figures are a revenue of 54,400 million leks and expenditures of 86,500 million leks. The deficit is 32,100 million leks. The social categories that will directly profit from this year's budget are war veterans and former victims of political persecution, who together benefit to the tune of an additional 900 million leks. It was the opposition that insisted on increases for these groups, while it seems that the ruling party acceded, thinking of the approaching electoral campaign. By providing more money for these categories, the government aims to call its program for these people completed, and claim their votes in the next elections.

The populace will provide the bulk of the revenue through tax payments. This year's budget also envisages the introduction of the value-added tax. This tax has been under discussion for more than one year, and it seems that the time has finally come to introduce it.

Excise duty on fuel, cigarettes, and drinks will provide the largest amount of tax revenue. A government monopoly on cigarettes and tobacco—hitherto a favorite and profitable business—is expected to be established soon. Even today, excise duty on cigarettes makes up the largest part of revenue from taxation. The trade in fuel is also expected to decline because our government has recently received signals from the U.S. Government, which is unhappy about Albania's enforcement of the

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UN embargo. Nevertheless, revenue from excise is forecast at 11,000 million leks, of which 9,000 million leks are expected to come from Customs.

The government is basing its revenue forecasts on a better control of customs and fiscal payments, because a considerable proportion of the goods entering our country evades customs and arrives as contraband. The separation of the Financial Police into the Customs Police and the Taxation Police is part of this plan, which remains a matter of hope.

In general, an increase of 16.5 percent in revenue and 14.7 percent in expenditures is planned. It is forecast that the increase in gross national product this year will be a mere 5.8 percent. Nevertheless, it is well known that the main reason for the decline in the growth rate in industrial production is the government's inability to revive existing industry. This year's budget reduces the funds for the Enterprise Rehabilitation Agency [ARN]. This decision has been made because the agency has not justified the hopes with which it was created. The reason for the failure of ARN has not been a lack of plans but the speculation carried out by members of the government with the aim of making a profit. ARN's funds this year are set at 400 million leks. This figure implies that the government has capitulated in its struggle to set in motion domestic production. The state plans to spend 5,300 million leks this year on social security and health, and, for the first time, deductions for health insurance are being withheld from the Albanians' pay. These will amount to 630 million leks. The Interior Ministry's budget increases by 65 percent in comparison with last year. The Defense Ministry's budget also increases. The most mysterious increase is that favoring the National Intelligence Service [SHIK]. In comparison with $3.2 million last year, SHIK is expected to gain $4.3 million from the budget this year. The increase in the budget for the state's military wing is somehow suspicious, when we recall that we are only one year short of the elections and that these institutions have labored under serious accusations of breaches of the law and corruption. Democratic Party deputies themselves have complained time after time about illegal surveillance by SHIK, yet the evening before last, these same deputies approved an increase in the SHIK's budget of $1.1 million compared with last year. The government has earmarked funds of 6,200 million leks for the unemployed who benefit from unemployment pay and welfare. Calculated approximately on the basis of the numbers of the unemployed, this means about 6,500 leks per year per person at a time when a SHIK agent can expect to spend 30,000 leks of the state's money in one month. Viewed this way, this year's budget is one that is meant to angle votes rather than solve fairly and squarely the economic problems of Europe's poorest country.

Legalization of Albanian Workers in Greece Viewed

AU1704090195 Tirana KOHA JONE in Albanian 13 Apr 95 p 2

[Report by Illir Babameto: "First Step Towards Legalizing Immigrants"]

[FBIS Translated Text] It seems the nightmare of the 300,000 Albanian migrants working in Greece is drawing to a close. The government in Athens is issuing a decree enabling all Albanian migrants working in Greece and possessing identification documents to register at the nearest Greek police station between 10 April and 25 May, giving them the opportunity to travel freely to their families and the right to return again to Greece.

The Albanian migrants, the most accurate barometer of Albanian Greek relations, are expected to surge toward the border crossing points. This time, when they travel to Albania, it will not be because they are swept away by "Operation Broom" but in order to spend the Easter holidays and to celebrate the resurrection of Christ with their families. All this is taking place one full year after the Peshkepi masscre, that macabre event at midnight of 11 April last year when two Albanian soldiers were killed and "the five" were immediately arrested. This incident was followed by the "crucifixion" of Albanian-Greek relations. The low point of these relations was the Greek police's expulsion of about 70,000 migrants. Shortly after Papoulias's long-awaited visit to Tirana and before Serreqi's visit to Athens, Albanian migrants can breathe freely. Now,they no longer need to hide from the Greek police on the streets of Athens, where the overwhelming majority of them work. It is they who, more than anyone else, sense the political climate in interstate relations. They more than any other political argument have been used as a counter at every diplomatic discussion table. The $360 million they pay into the devastated Albanian economy annually and the existence of a Greek minority in Albania have together brought the politicians of both countries to reason. It seems their Balkan-style passions are being calmed, after an entire year.

The Greek consulate in Gjirokaster has been issuing about 250 visas a day since Papoulias's visit to Albania, the best sign of the normalization of relations, compared to the 30 visas per day issued before.

The most recent step by the Greek Government gives Albanian migrants the right to enter and leave Greece freely for a period of almost two months, and apparently constitutes the first step towards their legalization by the Greek state. It is worth stressing that it was the Greek trade unions that demanded this from the government in Athens shortly before Papoulias's visit to Tirana.

All this is happening at a time when Berisha has declared to the official Greek news agency ANA that "Greek-Albanian relations were spectacular in March and April tof his year," and Greek Information Minister Venizelos has said at one of his most recent news conferences that "The Greek Government, for its part, would like to declare its satisfaction at the way in which the president of Albania is handling the problems."

It is also taking place at a time when Serreqi is about to travel to Athens, on 24 April, and when the joint Albanian-Greek Commission is expected to meet in

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Athens on 20 April. The legalization of migrants is to be one of the two main items on the agenda.

On 23 April, along with Easter, when Christ was resurrected, the emigrants will celebrate their legalization, as well as the resurrection of Greek-Albanian relations after a one-year crucifixion.

Editorial on Moves To Stop 'Exodus' From Kosovo

AU1704093395 Tirana RILINDJA in Albanian 12 Apr 95 p 11

[Editorial: "Personal Example Stems the Exodus"]

[FBIS Translated Text] There are signs that, after the serious treatment of the problem of the exodus of Albanians from Kosova by the Kosova state and political authorities, the number of those seeking to leave has declined recently.

There are also signs that the states to which this appeal has been addressed, such as Italy and Hungary, have increased their controls and their measures to prevent the mass movement of Albanians toward the states of West Europe.

The reports of the determination of Western countries, especially Germany and Switzerland, to return asylum-seekers may also have influenced the decline in the number of those leaving.

Meanwhile, Albanian politicians, officials, and well-known personalities have held more frequent meetings with Albanian exiles in Europe. According to long and frequent reports of these meetings in the media in Kosova and Albania, the main theme of these gatherings has been "stemming the exodus" of Albanians from Kosova.

There is nothing wrong in discussing this problem or in the appeals addressed to citizens of Kosova from abroad and from the mass gatherings of those who have left Kosova. For most of the participants in these gatherings, these appeals are an expression of their anxiety and their pain at their individual fate and the weakening of the national stock in Kosova.

However, the frequency of these gatherings and of the tours made by certain Albanian officals and personalities who have left Kosova deserves comment as a paradoxical phenomenon that can hardly help stop or reduce the number of people leaving Kosova.

The gatherings are often held for reasons of political promotion or material gain; there is therefore reason to believe that that their patriotic veneer conceals other purposes hidden from the Albanian public in Kosova.

It is easy to see that the Albanian personalities who circulate among these are aware that their campaign is not helping to stem the exodus, for the simple reason that they themselves are very remote—often not only physically—from the fate of the Albanians in Kosova and those who are thinking of leaving. Moreover, one cannot believe that they are so naive as to not realize that by their personal example they are encouraging people to leave Kosova. While this campaign of demonstrations in Europe and reports about them continues, there are hardly any citizens' gatherings and discussions in Kosova, or reports about what is said at them. In Kosova's minimal media, it is individuals who have "evacuated" their families to some other country of Europe who are making the most noise about the exodus. Their commotion thus becomes an accusation against Albanian policies here in Kosova, instead of being a result of their concern at the exodus.

It has been said before, in other contexts, that Kosova's policies are decided in Prishtina, where people live and where the institutions organizing and sustaining their lives operate.

The exodus will be stopped here, where calls to resist and to stand firm carry moral weight.

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Finance Minister Views 1995 National Budget

AU1404113295 Sofia DUMA in Bulgarian 12 Apr 95 p 3

[Interview with Finance Minister Dimitur Kostov by Boyka Bashlieva; place and date not given: "1995 Budget is Balance Between Possible and Necessary"]

[FBIS Translated Text] [Bashlieva] Mr. Kostov, what are the basic goals the government sets itself with the 1995 budget?

[Kostov] The first goal is to normalize financing and, generally, the state of public services and infrastructure. Simultaneously, we set a second important goal: stabilizing the economy as an important prerequisite of ensuring economic growth.

[Bashlieva] You were one of the authors of the 1994 budget. What are the differences between the 1994 and 1995 budgets?

[Kostov] As a rule, every budget applies to the relevant fiscal year. The changes are in the sphere of public services, which in recent years have been reduced to a rather critical state. I think the 1995 budget envisages a better utilization of the state finances, something that would allow us to extract maximum benefit from the public services. It is in this area that I see a difference between the two budgets. The budget is not only the money that the state collects and spends but also the services our society receives in exchange for the money it spends.

[Bashlieva] Many commentators expressed doubt as to whether the budget revenue would be implemented. How do you plan to protect the national revenue?

[Kostov] Basically, the budget's revenue part has been based first of all on the scope of economic activity and the possibility of the emergence of economic growth.

However, I do not think that great changes in the tax system are necessary, especially against the background of the fact that forming the current tax system took four to five years. It is not easy to effect changes in the tax system as a structure, and it is not necessary to take hasty steps in this sphere.

What is necessary in order to guarantee the budget's revenue is to adopt new tax laws and to amend the existing ones, and thus improve the possibilities of the administration for a maximum collection of taxes.

[Bashlieva] The budget has been described as neutral, proinflation—moderately proinflation—and excessively social; and these are only some of the opinions expressed by economists and politicians. Which of them is closest to your own opinion?

[Kostov] Those comments spring first of all from the different angles from which one views this complex entity, the budget. I think that a prudent balance has been achieved between the possibilities and the necessities. I always repeat this, but this is how it is.

If one views the budget through the prism of the foreign debt, one could say that the budget labors under the weight of the debt. If one views the budget through the prism of the relatively high expenditures for social security—pensions, wages, aid, and stipends—one could say that the budget is too social. If one looks at the budget through the prism of the taxpayers, then one could say that the budget imposes an excessive burden.... However, all this is characteristic of the budget, because it represents the balance between various points of view.

[Bashlieva] You said that the subsidies for the municipalities have been calculated on the basis of a new methodology. Do the municipalities benefit or lose from the new system?

[Kostov] The new methodology aims at developing the process of placing relations between the republic's budget and the budgets of the municipalities on an objective foundation. Obviously, placing the process of forming the revenue on an objective foundation cannot be achieved instantly, because, first of all, the differences between the municipalities must be objectively clarified.

Here, I mean differences in the economic potential, and in offering different public services.

[Bashlieva] Would the budget resolve the housing problems of many people?

[Kostov] From the point of view of the budget expenditures in this sphere, the increase is more than 300 percent. However, in comparison with the huge dimensions of the problem, the results would not be so substantial that the whole of society could feel them. However, I think we have taken the first step in the right direction.

Assembly Adopts Land Bill; Opposition Walks Out

AU1404160095 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 14 Apr 95

[FBIS Translated Text] The National Assembly adopted the bill on Land Act amendments. The deputies today adopted the articles dealing with compensating owners with land from the land reserves of the state and municipalities, and giving land to people both with and without property.

The parliamentary majority also adopted an amendment to Article 4, which allows people who work the land to become its owners. The amendments that were adopted today also put an end to the activity of the liquidation councils.

The parliamentary factions of the Union of Democratic Forces and the People's Union walked out of the National Assembly hall, because their proposals related

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to the land bill were not accepted by the majority and thus they see no possibility of influencing the legislative process.

The Rights and Freedoms Movement and Bulgarian Business Bloc factions also walked out during the voting on the bill's last articles.

Krasimir Premyanov, chairman of the Democratic Left parliamentary faction, said the bill is necessary in order to overcome the crisis in Bulgarian agriculture. The bill frees Bulgarian villages from the administrative dictates of the liquidation councils and limits the possibility of abuse, Mr. Premyanov said.

The opposition is preparing to approach the Constitution Court because of procedural violations that occured while the amendments to the land bill were being adopted.

Alliance Decides To Become Massive 'Formation'

AU1604162195 Sofia Khorizont Radio Network in Bulgarian 1500 GMT 16 Apr 95

[FBIS Translated Text] The leadership of the Alliance for Democracy held a news conference on 16 April at which the reelected leadership acquainted correspondents with the decisions of the Second National Conference.

(?Ivan Tanev), chairman of the formation, announced at the news conference that branches throughout the country have been called upon to attract supporters of democracy as partners in order to effect joint actions,

According to Deputy Chairman Ivan Pushkarov, one of the basic outcomes of the conference calls for basing the Alliance for Democracy on massive structures and directing its formation toward the workers.

The Executive Bureau has been instructed to prepare a political declaration on the Bulgarian Socialist Party's [BSP] first steps as a majority party. According to Mr. Pushkarov, the document will politically assess the BSP's attempts to eliminate the social democratic center in Bulgaria.

BSP Plenum Elects Supreme Council Commissions

AU1604155595 Sofia Khorizont Radio Network in Bulgarian 1300 GMT 16 Apr 95

[FBIS Translated Text] The Bulgarian Socialist Party [BSP] plenum has determined the number, structure, and membership of the Supreme Council working contingents: the commissions. Commission chairmen were also elected.

There are nine Supreme Council commissions: the Commission on BSP Ideological Development, chaired by Georgi Purvanov; Commission on the Sociopolitical System, chaired by Yanaki Stoilov; Commission on Organizational Issues and Relations With Municipal Organs, chaired by Nikolay Dobrev; Commission on Propaganda and Relations With Mass Media, chaired by Klara Marinova; Commission on Party Property, Economic and Financial Activity, and BSP Legal Protection—the smallest commission—chaired by Kiril Zhelev; Commission on Social and Economic Policy—the largest commission—chaired by Nikola Koychev; Commission on Foreign Policy, BSP International Relations, and National Security, chaired by Krasimir Premyanov; Commission on BSP Policy on Science, Culture, and Education, chaired by Yuriy Borisov; and the Commission on Regional Policy and Municipal Self-Administration, chaired by Doncho Konakchiev.

There will be no payroll members in the commissions, as they also belong to the BSP Supreme Council, said Georgi Purvanov, deputy chairman of the BSP Supreme Council. The only payroll employee in each commission will be a secretary.

The BSP Supreme Council will have 153 payroll employees, 28 of whom will be regional accountants.

The BSP Supreme Council plenum is currently discussing the 1994 annual accounting report and the report on implementing the 1994 Supreme Council budget. The plenum will later discuss the BSP's 1995 draft budget.

BSDP Decides To Remain in DAR Coalition

AU1604174095 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 16 Apr 95

[FBIS Translated Text] The 41st BSDP [Bulgarian Social Democratic Party] Extraordinary Congress reelected Dr. Petur Dertliev party chairman today. Approximately 283 delegates voted for him, while his opponent, Professor Zakhari Kafamfilov, received 156 votes. Vulkana Todorova and Stefan Radoslavov withdrew their candidacies before the voting.

The congress concluded its work by adopting a political declaration that states that the BSDP's basic strategic goal is to assert itself as an independent political force. The delegates also decided to remain in the Democratic Alternative for the Republic [DAR] coalition until the Election Bill is changed.

The 100-member BSDP National Council is currently in session. The congress elected the National Council, together with the party chairman. The National Council has so far elected the five BSDP deputy chairmen and the BSDP Executive Bureau.

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Horn, Montenegro's Djukanovic Discuss Sanctions

LD1404193095 Belgrade TANJUG in English 1841 GMT 14 Apr 95

[FBIS Transcribed Text] Budapest, April 14 (TANJUG)--Montenegro Premier Milo Djukanovic said here Friday that Hungary was ready to back all initiatives for the lifting of the international sanctions against Yugoslavia.

Djukanovic made the statement to the press after discussing with Hungarian Prime Minister Gyula Horn the crisis in the former Yugoslavia and possibilities for economic cooperation between the two countries now and once the sanctions are lifted.

The international sanctions introduced against Yugoslavia in late May 1992 are inflicting heavy damages also on Hungary and Yugoslavia's other neighbours.

Horn told Djukanovic he would take steps for Hungarian Foreign Minister Laszlo Kovacs to visit Yugoslavia soon as chairman of the Organization for Security and Cooperation in Europe.

Djukanovic stated on Hungarian TV and in a talk with Yugoslav newsmen that a positive change had taken place in the Hungarian stand on the crisis in the former Yugoslavia, especially since the Hungarian Socialists' victory in general elections.

Asked by Hungarian TV journalist whether Yugoslavia would recognize the breakaway republics, Djukanovic replied that the issue was linked to the establishment of lasting peace in Bosnia- Herzegovina, the lifting of the international sanctions against Yugoslavia and the international recognition of Yugoslavia.

Djukanovic is on a brief visit to Budapest on the occasion of the exhibit 'Montenegro--500 years of the first printed book' which opened late Thursday [13 April].

Horn, Keleti Address Defense Forces Command

95CH0187A Budapest MAGYAR HONVED in Hungarian 10 Mar 95 pp 4-5

[Unattributed report: "Success Team?--The Set-up is Announced"]

[Text] Prime Minister Horn was also present at the general meeting of the Hungarian Defense Forces Command, where the personnel changes that resulted from the reorganization of the command in accordance with the government's decision were announced. The general meeting was opened by Major General Dr. Jozsef Feher, administrative state secretary, and then the prime minister addressed the participants. He began by referring to last week's parliamentary debate on foreign policy and to the government's ideas that were presented by the cabinet members. In his assessment, despite the debates and differences of opinion, there is apparent consensus on the issue of our membership in the EU and NATO. Horn said the multilevel talks with leading western politicians--the purpose of which was to clarify the conditions of membership--were beneficial. He also expressed his disagreement with western statements that the Hungarian frame of mind both military and civilian does not yet suit the requirements of developed democracies. As he said, he is convinced that Hungarians do indeed have the ability to adapt to the demands of developed democracies.

"I think it is a very important issue," said the prime minister among other things, "to launch the armed forces reform, and begin with our army's modernization, based on uniform principles and clear ideas, instead of merely talking about, instead of merely changing, certain organizations. The Hungarian government will be a partner of the Hungarian Defense Forces in all areas of the reform, of the modernization."

In connection with the change, the president of the Republic of Hungary promoted Major General Bela Biro, first deputy chief of staff, to the rank of lieutenant general on 1 March. Brigadier General Laszlo Botz was promoted to major general, and Colonel Mihaly Gyenes was promoted to brigadier general. At the general meeting, members of the supreme command of the Armed Forces were introduced to the prime minister and then appointed, among them General Janos Deak, chief of staff of the Hungarian Defense Forces; Lieutenant General Sandor Nemeth; and Major General Dr. Geza Stefan, chief of the Hungarian Defense Forces' Office of Military Security.

On the supreme commander's recommendation, the defense minister appointed Major General Laszlo Botz chief of the Military Intelligence Agency, effective 1 March. Other appointments were as follows: Major General Jozsef Wekerle appointed chief of the ground forces of the Hungarian Defense Forces and deputy chief of the MHPK [expansion unknown] ground forces; Major General Tibor Szegedi, engineer, appointed chief of the Air Force and Air Defense of the Hungarian Defense Forces and deputy chief of the MHPK Air Force and Air Defense; Major General Nandor Hollosi, engineer, appointed chief of material and technical corps, Hungarian Defense Forces and deputy chief of MHPK finances; and Major General Janos Gillicz, appointed chief of human resources, Hungarian Defense Forces and deputy chief of MHPK. In order to change the command structure, 33 generals and other officers were appointed to new positions.

Following the announcement of orders, Defense Minister Gyorgy Keleti welcomed the new members of the new command, and described the short- and long-range tasks that lie ahead.

The minister stressed at the beginning of his speech that the changes were preceded by extensive, hard work, and that the new situation means more than just assigning

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new desks to new appointees: It means that the process of change must be realized through a change in mentality and attitude.

"We must work differently because the issue is to change an army," said the minister. "This work is different from that of earlier times in that important decisions that have not been made during the last four years will have to be made, otherwise our army's operation will be in jeopardy. I think that, as of today, our most important task is not only to preserve our combat-readiness, but also to implement the process that we call the reform of our armed forces with the least amount of interruption."

On speaking of the significance of the armed forces reform, he described the continuous and intensive planning activity that can be seen in parliament, the government, the ministries, and the [armed forces] command, without which one could not speak of armed forces reform.

During the past months, the situation became much more serious than expected by the government. This has the inherent danger of undermining Hungary's economic stability, in which case the army would also face extremely serious problems. At the recommendation of the new finance minister, the government will approve an economic package plan that may include some restrictions for the national defense forces. This may manifest itself primarily in limiting the number of personnel. The number of persons working in budget offices is unbelievably high.

"A further downsizing may be implemented within a short time in the Defense Ministry, for instance—and we must reckon with it," said the minister. "Also, we must not exclude the possibility of cutbacks in the Hungarian Defense Forces Command. All the newly appointed persons should consider ways in which they can downsize their own areas of operation. This is not great news, I know, but the news we receive from other areas of the economy is not great either. I asked the minister to help us by not allowing any more cutbacks. What I ask of you is that we all try to do our best in carrying out even those tasks for which there will be no money available, so that we can look society in the eye. We should make our draftees understand the difficult times but the situation of our career soldiers should be improved despite the worsening economic conditions."

Gyorgy Keleti talked in detail about the unfortunate situation in which the approved 10-percent salary increases have been completely offset by the new tax laws, emphasizing that this situation affects not only soldiers but every Hungarian citizen. The situation of public employees is also very difficult. Thus, tensions are present in all areas of life, and the general mood is not very good.

"I think you know of my statement, which I repeated recently," continued the minister, "that our NATO membership will cost us more than expected. When, on the basis of a government program and with parliamentary approval, this country will have started on the road toward NATO that was specified in the Partnership for Peace program, then we must make bigger financial sacrifices for national defense and to meet NATO's requirements. This country cannot turn back, on that road. It is a predetermined road with an increasing number of hills, with increasing difficulties in our budget and in our moral and mental requirements, but we must follow it to the end, now. The Republic of Hungary has committed itself to becoming a NATO member; it cannot, and does not want to, turn back."

Keleti called attention to the frugal and sensible use of available budget funds, reminding the audience of the depletion of reserves during the past six to eight years. He voiced his conviction that there are still hidden areas where public money is being wasted. He also mentioned the government's responsibility in promising an improvement in the living conditions of career soldiers. This, however, must not be interpreted as an immediate measure, but rather a process that may bear fruit in the years to come.

"Everyone's eyes are on the defense forces," said the minister. "If it gets more, then everyone thinks it is too much, that it is using excessive resources. There are some opponents, perhaps even in this building, who want to hinder our NATO membership. And there are those who try to belittle the changes that have occurred during the past weeks and months; and those who try to depict us—the command, the officers, or the Defense Ministry—in a way that elicits mistrust in NATO circles. We, for our part, are absolutely sincere in our intentions. We are totally committed to NATO membership, and I am convinced that everyone in this room agrees on this. So I ask anyone who cannot keep up with our pace, anyone who does not understand why we want to include this army among the NATO armies, anyone who does not understand that any counter-activity is detrimental to the Republic of Hungary from the aspect of its security, to retire under favorable conditions. Those who remain, however, must want to pull the wagon in one and the same direction."

The minister called upon the audience to consider—before any permanent appointments for the various new positions are made—young officers who have studied and increased their experiences at Western military colleges. He emphasized that, instead of passively waiting for our NATO membership, we should meet events half way. In speaking of creating the necessary financial and technical conditions, he stressed that a lack of money should not limit our thinking. There will be some favorable opportunities and available resources that will solve that problem.

"What can be inexpensive here?" he asked. "It can be a change in attitude. Or a change that we saw, for instance, at the NATO exercises, can be inexpensive. They do not use blue and red as we do. If we continue to insist on the

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old colors, the old tactical or map symbols and other conventional symbols at an exercise two years from now, they will say: It would not have cost much and still they did not change it.

"We must give serious thought, for instance, to continuing our language training in a less expensive way. The idea is not to have the student officers pay for the instructors or the courses. We must find a way for more efficient language training here at home, at our military colleges, or at the Academy. We must try to find better ways for less money.

"I ask you never to forget that our actions do have an effect on the way others think of us. If we think and act differently in the present situation than expected by society, then our evaluation by society cannot fail to improve. We will not make any progress if we do not understand and recognize the social problems that may affect our lives and that unfortunately put us, too, in a crisis situation, through the present economic crisis.

"I ask that everyone do a decent job in his own area, to the best of his knowledge and conscience. This will be a hard year. It is now up to you to see to it that during the change, during the armed forces reform, the Army has the same sense of security as have those who are sitting here in this room. A sergeant or a lieutenant is as important to us as a lieutenant general or a major general is. I do not want to hurt anyone's feelings but they are perhaps even more important—because they are the future, while we are the present. We must treat them with the same understanding and humane attitude that we treated our field officers during the present change. If we could do it here, why should we be unable to do it with our line officers and noncommissioned officers, who are indeed in a difficult situation? They must feel our full support, and for this we need not money but the understanding and benevolence of those who can contribute anything to our military during the coming months. But let us be careful because we can also end up with less!"

Hungarian Participants on Moscow, Yalta Meetings

95CH0187B Budapest MAGYAR HONVED in Hungarian 10 Mar 95 pp 16-17

[Article by Miklos Monus: "International Military Policy—The Bears and the Flowers"]

[FBIS Translated Text] *Russia has hosted two conferences that could be called important for us Hungarians. The first, entitled "Russia and Central Europe," was held in Moscow, with the participation of SVKI [Strategic and Defense Research Institute] director Ferenc Gazdag and SVKI deputy director Colonel Dr. Laszlo Nagy. The second conference was held in Yalta—more precisely: in the Livadia Palace, where 50 years ago, the three "giants"—U.S. President Roosevelt, British President [as published] Churchill, and Party First Secretary Stalin—signed that particular agreement, with (again) the participation of Ferenc Gazdag and researcher Dr. Zoltan Vamosi, representing the Hungarian Society of Military Science. They talked about their experiences to our correspondent, who arrived at this summary conclusion: "In issues of world politics, no one pays attention to Hungary, but we must pay particular attention in every direction." The following is an attempt to explain this conclusion.*

The Yalta agreement, which we knew determined the destiny of Central Europe (and Hungary), was signed 50 years ago—but that is not exactly when it happened. The Allies, who were already unquestionably winning the war, had already decided, in October 1944, on the post-war spheres of interest, i.e.: Stalin and Churchill decided these, in Moscow, moreover, and Roosevelt approved their decision affecting Europe (because the United States did not consider Central and East Europe part of its sphere of interest). Thus the fact that post-war Hungary found itself in the Soviet sphere of interest was not the result of the Yalta decision. Indeed, this issue was not even raised there. Nevertheless, the "giants" agreed, in Yalta, on important issues, including the most important issue of post-war world order. This issue also affected Hungary; therefore, how the parties involved view Yalta today, half a century later, is not insignificant—especially in view of the fact that since then, and in the past five years, the world has gone through great changes. This is why the two researchers mentioned decided to participate in the conference. To their surprise, the conference, which was announced as an international conference, proved to be not exactly international. Absent were, among others, the representatives of the United States and Great Britain. More precisely, the single delegate who represented the United States arrived on the very last day of the conference, and the British representative, who took part in the entire conference; was actually not a Brit but a dissident Ukrainian. Even though he unquestionably represented Great Britain, he traveled to Yalta not with a British but with a Ukrainian passport.

On the other hand, almost all former Soviet republics—that is, their delegates—participated in this anniversary event, and instead of dealing with the announced topic talked mainly about everyday political problems (i.e., they quarreled). In this regard, as far as the Hungarian participants were concerned, they were not really interested in history but rather in the present and the future. Or would have been. They wanted to find out how others view the present situation in Central and East Europe, and what their image of the future is—which, in a sense, is determined by the Yalta agreement.

Both Hungarian delegates spoke up at the conference, expressing exactly this. They told the participants that they were interested in the original objectives of the conference and not in Russian-Ukrainian antagonism or the everyday problems of the former Soviet republics. Well, the participants politely listened to them—and that was no small achievement, for the originally

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announced objectives of this anniversary conference were very soon forgotten, and the conference became a discussion of current political issues. Moreover, the atmosphere of this discussion was anything but high-minded or scholarly. One example: One of the delegates began his presentation in Ukrainian instead of Russian, which was the official language of the conference, for which he was almost chased out of the room.

It was both interesting and disheartening that participants—mainly from Russia, Ukraine, Belarus and Crimea—were almost completely unable to converse with each other in an acceptable manner, or with a determination to arrive at a consensus. For instance, the Russians were astonishingly intolerant toward any opinion that differed from theirs. And when anyone expressed a view that was contradictory to their reorganization or reintegration endeavors—which they considered the most important issue—he was shouted down in an atrocious manner.

The terms reorganization and reintegration need some explanation. Both in Yalta and the previous Moscow conference, one of the most important issues for the Russians was so-called reorganization or reintegration. This has made it obvious that they are determined to create some kind of a union with the former Soviet republics. The Baltic states—Estonia, Lithuania and Latvia—are the only countries they cannot hope to include. At the Moscow conference, they were resolute in their proposal to set up a joint border guard at the outer border regions of the former Soviet republics, which would be a huge step toward a union of CIS countries.

In their comments, the Hungarian delegates pointed out that the 1945 Yalta conference had not only winners but also losers, with Hungary belonging to the latter. As such, the Hungarian delegates expressed their delight that the international system of Yalta has collapsed. Their statement was not applauded—to put it mildly. Nor were the Ukrainian delegates applauded when they expressed their views regarding Crimea.

In summary, one can say that a significant part of the Russian political elite (the Russian participants were all members of this elite) is unable to accept the fact that the superpower has collapsed and that Russia is not the superpower it was while part of the Soviet Union; and that it is not too much of an exaggeration to say that all its thoughts revolve around making it a superpower again.

It was apparent both in Yalta and, especially, in Moscow that Russians view both the present situation and the future in this light. At the same time, they look in all directions around the world, completely ignoring small countries such as the former socialist countries of the Warsaw Pact, including Hungary.

Let us not misunderstand: Russia is not trying to revive the Soviet Union. Instead, it is trying to set up some kind of an economic union between the so-called CIS countries—which, if only because of its size, would carry the weight of a superpower—under Russia's exclusive leadership. And this hopeful giant pays as little attention to, among others, our country as a political factor as the Hungarian defense minister pays to the opinion of a schoolboy concerning the reorganization of the defense forces.

Next to reintegration, there was another important term the Russians used frequently during the conference, and that was geopolitics—that is, geopolitics from Russia's point of view. In the light of these conferences, one could say that this is the key word for the planning of Russia's international role. An important (for Hungary, perhaps the most important) part of this involves the relations between Hungary and NATO.

President Arpad Goncz said a few days ago that Hungary's membership in NATO membership depends not (only) on our desire, not (only) on the weapons of Hungarian troops, and not (only) on the reorganization of the Hungarian Defense Forces, but mainly on Russia's viewpoint. On the basis of what they saw and heard at the Moscow conference, the Hungarian delegates agree that it is unlikely that Hungary will become a NATO member soon if that indeed requires Russian approval. As they said, while Russian foreign affairs officials are polite and well-meaning in their willingness to listen to Hungarian arguments in support of Hungary's membership in NATO, Russian military leaders are extremely annoyed at even the suggestion of listening to those arguments. Russian foreign affairs officials find it conceivable that the region's political stability would improve if the Visegrad Four (the Czech Republic, Poland, Hungary, and Slovakia) were to become NATO members. This stability would be in the interest of Russian foreign policy. On the other hand, Russian military leaders see only that this would make NATO an immediate neighbor, which is at this time totally unacceptable. Ukraine—which of course is not Russia—is considering in its plans the collective influences of the CIS countries, which are uniting in many aspects.

From this aspect, the Russian approach is rather interesting. Actually, Russia views NATO not as a West European military bloc but rather as a sphere of interest of the United States of America. Thus, the reason why it opposes Hungary's membership in NATO is not that it would increase West European military power but rather that it would allegedly represent American interests directly on Russia's western border. This is corroborated by the fact that the Russians are not in the least concerned about Hungary's endeavors to join West Europe politically, e.g. to become a member of the Common Market.

Russia is watching itself and the former Soviet republics, the Black Sea as a Turkish sphere of interest (and in a sense and to a certain extent an American sphere of

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interest, because of Turkey's membership in NATO), China, Islam, the Far East, and the United States in the west.

From the aspect of geopolitics, Hungary is simply outside of its field of vision.

According to a Russian saying, when two bears fight or make love, they may trample the flowers.

For us, Hungary is that little flower. That is why we must constantly be mindful of those bears—especially of Russia, which is closest to us.

International Freight Levels During Strike Set

LD1604201595 Budapest MTV Television Network in Hungarian 1800 GMT 16 Apr 95

[FBIS Translated Excerpt] During the rail strike all railroad employees must appear at their workplaces and declare whether or not they intend to work. This has been agreed on by the managers of MAV [Hungarian State Railways] and trade union representatives. [passage omitted]

The most disputed topic on the agenda of talks between the company and the railroad workers trade unions is the regulation of international traffic. The talks will continue tomorrow.

The talks began in a relaxed atmosphere and, within an hour, an agreement was reached that 64 shunting engines will run during the strike. During the following four hours, the positions of the negotiating parties came no closer. At 1445 hours the talks seemed to have come to an end, and the two sides started to prepare the minutes.

However, the trade unions have agreed to compromise on restrictions in international freight transport during the strike and accepted the MAV leadership's proposal. International freight trains transporting livestock, perishable cargo, and basic foodstuffs will be received by Hungary. European railway companies will be informed about the limited freight traffic by midnight tonight. The minutes were signed at 1730 hours.

No agreement was reached today on domestic and international passenger traffic and the acceptable number of postal trains during the strike.

MTI, IRNA Cooperation Agreement Signed

LD1604181395 Tehran IRNA in English 1725 GMT 16 Apr 95

[FBIS Transcribed Text] Budapest, April 16, IRNA—The managing directors of the Islamic Republic News Agency (IRNA) and Hungarian News Agency (MTI) signed an agreement on exchange of news, professional, technical and educational cooperation. Fereydun Verdinezhad of Irna and Kardy Alexa [name as received] of MTI studied ways for cooperation between Irna and the Magyar Tavirati Iroda (MTI).

The Iranian delegation inspected different sections of MTI.

The two news agencies will set up offices in either capital and will hold seminars with participation of Iranian and Hungarian journalists.

Verdinezhad is visiting Budapest at the invitation of his Hungarian counterpart.

The IRNA chief also held negotiations with spokesman of the Hungarian Government, head of parliamentary commission for press and cultural affairs and deputy minister of foreign affairs on bilateral issues.

Difficult Situation of Research Institutes

95CH0184D Budapest NEPSZABADSAG in Hungarian 1 Mar 95 p 15

[Article by Istvan Palugyai: "In Another Six Months There Will Be Nothing To Salvage; Government To Survey Reorganization Plan of Industrial Research Institutes"]

[FBIS Translated Text] So far, due to budgetary woes and the prevalence of a monetarist point of view, the government has not done much in the area of science and technology policy. According to the cabinet's agenda, the approaching spring promises a change. By April, the new guidelines—or at least the first version of them—must be completed, and the first step will ostensibly be a package of proposals regulating industrial research institutes, which will be submitted to the government by Laszlo Pal.

Of the earlier 19 research institutes, 12 remain today, because seven institutions are in a process of liquidation or final settlement. In the last four years, the number of their employees was reduced by half; they largely consumed one-third of their assets; and in the absence of assignments from industry, central development plans, and any financial support, they have arrived at the brink of utter ruin. Due to the collapse of the Eastern market, the liberalization of the economy, and the disappearance of their earlier contractual partners, the institutes, which currently carry out only production tasks, are faced with failure, and their debts have reached 2 billion forints [Ft]. They have been unable to turn around their negative balance, even by selling off their assets little by little. Moreover, in recent years they have not received adequate support from the National Technical Development Commission [OMFB]. It is understandable that the best researchers and developers abandoned the sinking ship, and fled abroad, or more frequently, into small private businesses.

Nevertheless, the "ship" had things worth saving. Three years ago a foreign consulting firm conducted an evaluation of the institutes, and in some cases judged their abilities, possibilities, and the amassed technical knowledge to be high, even by international standards. However, the decisionmakers at the time ignored the report's

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proposals concerning reorganization and the salvaging of assets. Moreover, they passed a resolution that was harmful in every respect: They gave the institutes' property rights to the State Property Management Corporation [AVRT]. The AVRT, because of its nature, did not know what to do with this portfolio.

Of course whether such institutes are necessary at all is doubtful. The answer can be yes only if officials in charge of industrial policy foresee that small and medium-sized companies will play a large role in the growth of the economy. These companies, through development results and new technologies, may be able to find a niche on the international market in some areas, but in the absence of an R&D department, they might need branch research institutes. Actually all of the concerned parties opt for this solution, with minor differences, but the initial step must be taken by the government. Moreover, it must be taken very soon, because as Lajos Rakusz—who is chief commissioner of the industrial and trade ministry—put it: in six months there will be nothing left to make a decision about.

Of course, the assessment does not paint the same picture of all of the institutes, and consequently it proposes different recipes for them. On the whole, however, three solutions were offered. The research and development departments of certain institutes worth salvaging should be combined in a materials and technology center, which could be housed in the Lagymanyos [Budapest] building of the Iron Industry Research and Development Company. Another rationale for this step is that the center and institute for materials research of the Zoltan Bay foundation is housed in the same building. According to the proposal, the new center could somehow be connected to the system of Bay institutes, a network established on the pattern of the German Fraunhofer institutes, and in subsequent years it could also be joined by the Aluminum Industry Planning and Research Corporation, today owned today by a company that is located on a neighboring lot. Of course, the agreement of the board of directors of the Bay foundation is necessary to carry out the first part of the plan, and the foundation is headed by Erno Pungor, who as the former OMFB director, did not favor saving the research institutes. Hopefully, in the present situation the professor's opinion will be modified, because he also preferred a larger network. The ministry's proposal points in this direction when it urges the transformation of the Bay network into a public foundation. This step would allow the inclusion of state property, which will change hands from the AVRT to the ministry.

Of course, there is no question of automatic salvaging, because the ministry's proposal is only planning to take over the research departments of the designated institutes (Plastics Research and Development, Ltd., Textiles Technological and Development Corporation, Central Research and Planning Institute of the Silicate Industry, Research and Development Company for the Leather and Shoe Industry, Industrial Technology Center), and plans to privatize the production departments as companies. On the other hand, the Chamber of Innovations is against this rigid separation. According to director Janos Pakuch, only the groups that are still competitive should be separated out, and not the others, even if they have a research and development status.

But the chamber and the ministry agree that certain institutes (Electric Energy Industry Research Institute Corporation, Fuel Technology Research and Development Corporation, Communication Innovation Corporation, Measurement and Information Technology Research and Information Corporation, Automobile Industry Research and Development Company, Agricultural Machinery Development Industry Corporation) are able to function on their own, although after the state excuses their debts they also could be offered the possibility of joining the network of Zoltan Bay institutes. However, as the Chamber of Innovations proposed, the institutes concentrated at the plant of the Iron Industry Research and Development Company ought to be integrated not necessarily into the Bay foundation but, rather, into a non-profit public service corporation.

Further, there are institutes that operate within, and are owned by, state-owned companies. Depending on the financial situation of the companies, a part of these can ostensibly be bought separately, or will fall to the ministry (Paper Industry Research Institute, Ltd. and the Planning and Research Institute of the Aluminum Industry), while others can continue operating in their present form (Pharmaceutical Research Institute, Ltd., Medicinal Herbs Research and Development Corporation, Organic Chemical Industry Research Institute).

According to Lajos Rakusz, an industrial-technological park could also be constructed around the planned materials and technology center. The ministry official is optimistic: When the acceleration reaches a critical level, development will again be at the center of attention.

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Skubiszewski: No Need To Renegotiate Treaty

WS1704080195 Warsaw GAZETA WYBORCZA in Polish 14 Apr 95 p 7

[Article by former Foreign Affairs Minister Krzysztof Skubiszewski: "Patience and a Vision"]

[FBIS Translated Text] There is no need to renegotiate the Polish-Russian treaty of 1992. The provisions on security are binding for both Russia and Poland. There are no special unilateral obligations that Poland would have towards Russia.

The treaty with Russia was negotiated under my supervision. I personally held the last talks on the agreement with Minister Kozyrev. We discussed all the issues which were still unclear. Unlike the situation in 1990-1991, the Russians made no attempt to curtail our freedom to form alliances with other states.

There is no clause in the Polish-Russian treaty that would restrain our foreign or internal policies. The question at hand is not a renegotiation of the treaty, but the implementation of its provisions in day-to-day contacts. We need patience and a vision, as the burden is heavy. The Russians also do not do enough. But you cannot allow anger to get the upper hand in politics, as is the case of politicians behind the article that appeared in ROSSIYSKIYE VESTI. Anger is not a policy at all.

Due to the various forms of anger with the new political reality, we have recently been hearing talk of renegotiating international treaties. Still, these treaties are good compromises and provide reasonable solutions to difficult problems. They do not require renegotiating. Russia's defense minister threatened to revise the treaty on conventional arms in Europe from 1990 (which I signed along with Prime Minister Mazowiecki). ROSSIYSKIYE VESTI is demanding that the Organization of Security and Cooperation in Europe [OSCE] be given priority status. The treaty, however, is the foundation for the OSCE system. How can you reconcile the two? Does ROSSIYSKIYE VESTI treat its readership seriously?

The Russian daily writes of Poland's "traditional" policy of "distancing itself from its huge neighbors" in the 1930's. Keeping an equal distance from Germany and the Stalinist USSR was, however, a necessity of the moment, and not a tradition. Today, we cooperate with our neighbors and seek mutual goals. It should be more than cooperation; you can cooperate with anyone. The word "distance" does not exist in the vocabulary of Polish foreign policy. The author and the initiators of the article published in ROSSIYSKIYE VESTI represent an old school of thought on this and other matters.

How else if not by the old school can you account for an approach evocative of the Cold War, namely eying the North Atlantic Treaty as an aggressor? The alliance has already become an element of the European security structure that is still forming. That is why Poland wants to enter NATO: Given our painful experiences of the past, we are seeking safety. Stressing the "exclusiveness" of NATO while attacking its current openness, ROSSIYSKIYE VESTI is paradoxical. NATO has never been closed to new members. Since it was established in 1949, several new states have been included, most significantly—Germany.

Opening up to accepting new members widens the zone of stability in Europe, which can only benefit a democratic Russia. We stress—democratic, not hegemonic. We want the European option to prevail in Russian policies. Could the policy presented in ROSSIYSKIYE VESTI seek to establish "an own path" for Russia to follow, unavoidably leading to imperialism and domination over others?

The charges Moscow is bringing against us, that Poland is completely disregarding the principles of OSCE from 1975 and later years, is absurd. Could it be that the new (?) Russian school of journalism has forgotten who—regardless of OSCE principles and against international law—intervened in Afghanistan, exerted military pressure on Poland, which reached its peak in 1980-1981, resorted to violence in Lithuania in 1991, and is currently sending huge military forces to Chechnya?

No other states were as assiduous as Poland in forming the OSCE (formerly CSCE). Still, our involvement cannot preclude the strategic objective we have of joining the EU and NATO. That objective serves the stability and construction of Europe. Contrary to statements published by the Moscow daily, there is no juxtaposition here, either in the agreement on the dissolution of the Warsaw Pact, or the Polish-Russian treaty. The coherence is complete. The treaty echoes the principle of sovereignty and the objective of constructing a security system.

Poland is not by any means accusing Russia of aggressive intentions. In the times of the major upheaval, in the years 1989- 1993, we developed a vision and a concept of our place in Europe. We still have that vision and we will not give up that concept. Since then, Poland has turned in the right direction.

In his projections, a politician must also provide for the worst- case scenarios. "A Pole wises up only once the damage is done" [Polish proverb]—this time however, ever since 1989, in foreign policy at least, we have been wise before the damage was done. Let us trust it will never be done. But...

In the theater of history the iron curtain was not raised with the intention of leaving the international scene empty, or—as it was in the past—petrified. Could it be that Moscow has still not understood that NATO has already become an element of the architectural structure of European security, and that various other organisms and institutions are integrated within it? Should Moscow be reminded of the phrase it was so fond of until recently

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that you cannot turn your back on the wheel of history? And that it is no longer to talk to Poland in the language of domination.

International Role, NATO, EU Prospects Viewed

WS1704083095 Poznan WPROST in Polish 9 Apr 95 pp 19-21

[Article by Stanislaw Janecki and Jaroslaw Gizinski: "Poland on the Map of Where Interests Meet: Europe, Honor, Motherland"

[FBIS Translated Text]*"The poor Poles take seriously all the proclamations that they are playing a principal role in global politics, that their expectations and interests will be met, yet they are merely a small, self-centered nation at the far reaches of the world"—wrote Averell Harimann, U.S. ambassador to Moscow near the end of World War II. "Today, the Polish problem is a threat to NATO's identity. Members not worthy of trust cannot be admitted, as that would mean letting a Trojan horse into Western security structures"—declared Fred Ikle, undersecretary of defense during the Reagan administration, in an article published in January in THE NEW YORK TIMES. The timing of that statement coincided with assurances from Andrzej Olechowski that we are just a step away from NATO.*

All U.S. Undersecretary of State Richard Holbrook had to say in January of this year, after Bill Clinton's meeting with representatives of Central-East European countries in Cleveland, was that: "Poland is important to us." Similar opinions can be heard from State Department officials when politicians from Fiji, Mauritius, or Burkino Faso visit Washington. "It is good that Poland is the subject of discussion"—said Chancellor Kohl on Germany's ARD television, explaining the reasons for the refusal to invite Poles to celebrations commemorating the 50th anniversary of the end of World War II. "Yet, the same can be said of Slovakia, the Czech Republic, the Netherlands, Luxembourg, Belgium, Denmark, or Norway."

"Words and gestures are one thing, and cool calculation of what can be gained or lost, is something entirely different," hinted Kohl.

When President Lech Walesa criticizes Aleksander Kwasniewski [chairman of the Democratic Left Alliance—SLD] for conducting his own foreign policy with German Foreign Minister Klaus Kinkel, he seems to forget that our partners, not without some degree of embarrassment, have to rely on different sources to learn our current position on foreign policy. In everything we do, we tend to confirm that the rule of limited trust applies to us. It would be naive, for instance, to believe, that the tri-division of competence in directing Polish foreign policy is purely an internal matter. It is difficult to hide, especially when Lech Walesa enters into a discussion with Kwasniewski on the principles of foreign policy while on a state visit to Sweden. Or, earlier, withWaldemar Pawlak, during a visit to Estonia.

During Waldemar Pawlak's term in office, Chairman of the Council of Ministers Michal Strak was one of those pursuing his independent course of foreign politics, as was Senate Speaker Adam Struzik (who also attempted to influence the Slovakian political scene), Polish Peasant Party [PSL] Deputies Jacek Soska and Tadeusz Samborski, and SLD Deputies Longin Pastusiak and Tadeusz Iwinski, representing Poland at various international conferences. FRANKFURTER ALLGEMEINE wrote, in reference to these two politicians, that "they have made the existing line of Polish diplomacy difficult to accept." If it is true—as deputies in Germany's Bundestag from the Christian Democratic Union and Polish Foreign Ministry officials have suggested—that during their trips abroad parliamentarians representing the present coalition "summarize" contents of the information against Polish diplomats from reports of the so-called Samborski subcommission, then they may be suspected not only of irresponsibility, but also disloyalty.

An outside observer of Polish foreign politics may have the impression that they liven up with each celebration of one of the historic anniversaries on the calendar. This "sentimental diplomacy" has its roots in the widespread belief in Poland that there is a link between historical achievement and the contemporary political framework in the world. Unfortunately, this view is not shared by the real players in the game. Public opinion around the world is only informed about scandals associated with celebrations of anniversaries, which, contrary to the intentions of their organizers, do not generate friendly feelings towards us.

To Germany, Poland is still important because of the strong remaining undercurrents of feelings of guilt related to Nazi war crimes. Let us not delude ourselves that the amicably disposed Defense Minister Volker Ruehe, and the cautious Foreign Affairs Minister Klaus Kinkel are engaged in a real dispute over the scope of support for Poland or the speed with which we can be accepted into the Western European Union and NATO. They are merely acting out the scenario written by Helmut Kohl, in which Ruehe is playing the role of defender of Polish interests and Kinkel is demonstrating clear-headed indifference.

Hopes that Poland would assume a leadership role among central European nations undergoing reform have proven illusory. The exceptional role was to have quite "naturally" been ours due to our demographical potential and achievements in uprooting communism. This logic did not meet with our neighbors' approval; the Czechs, in particular, responded with irony to Polish ambitions to take on the role of local leader.

"Why do Poles think we should nurture their exaggerated sense of worth or even sense of mission in central Europe? Perhaps they ought to reflect on whether they

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are more of a burden than a help to the West?"—was the question posed by THE NEW YORK TIMES last fall. It is enough that our vanity is tickled by seeing ourselves as saviors of the world. Little has changed in this respect from the days John III defended Christianity at the walls of Vienna. This vanity of ours is well-known by Western diplomats and politicians. However, when specific issues are finally brought up, we usually hear: "We will help you after you help yourselves." This slogan has for many years been the basis for French and British policy towards Poland, a policy of indifference, sweetened with assurances of friendship and Legion of Honor medals awarded to a few outstanding representatives of Polish culture.

"Who invited Poland to the EU summit in Essen?"—Chancellor Kohl asks rhetorically, attempting to prove that Germany is involved in the affairs of Poland. But, as reported from behind the scenes in Essen, nothing specific was settled. Only a "family" picture was taken and goodwill was expressed. And still, when Spain and Portugal—quite far from attaining a "well-established and lasting system of democracy"—were accepted into NATO, Europe did not propose that they first help themselves and only then would the doors to worldly saloons be opened to them.

With top-student-in-the-class eagerness we gave up exporting arms to one country after another in which human rights were not observed, while arms continued to be shipped from the Czech Republic, Slovakia, East Germany, and Russia. These deals were worth hundreds of millions of dollars, helping bring down the unemployment rate in the Czech Republic to 3.5 percent.

Backing out of contracts, though it produced some pats on the back, caused the Polish economy to suffer the consequences of the downfall of Mielec, Labedy, and Stalowa Wola and many other arms factories. The state budget simply cannot afford to restructure these factories. We acted in a dignified manner, believing the entire civilized world would act in the same way. Nevertheless, in Germany no fewer than 110 companies were suspected of "exporting death," that is, sending arms wherever they could find a buyer. Only those who are naive believe the Bonn government knew nothing of the illegal sale of arms. "This is a scandal, reminiscent of the story of three monkeys: See no evil, hear no evil, speak no evil"—wrote the BONNER RUNDSCHAU wrote at the time. Equally realistic were Chancellor Kohl's motives for visiting Beijing: Contracts worth several billion dollars that overshadowed the Tiananmen Square massacre. For Germans, what counted were facts—for us, symbolic gestures. We lost half a billion dollars, they earned ten times as much.

From the perspective of Realpolitik, relations between Poland and NATO have become a farce. For, at the very same time as the civilized world condemned Moscow for its pacification of Chechnya, Andrey Kozyrev convinced his Western interlocutors that "imperialist Poland is a menace to peacefully inclined Russia." "Russia does not want to feel encircled" (by Polish imperialists? we may ask)—Kozyrev explained. To ensure that it does not, the heads of government of Russia and Germany enjoyed a steam bath together, the foreign ministers enjoyed a game of tennis, and government airplanes flew between Moscow and Bonn with a regularity equal to that of scheduled airline service; and all this above the skies of Warsaw, which Chancellor Kohl—a spokesmen for "a new chapter in Polish- German relations"—has not visited in five years. From the exact moment he left Warsaw for Berlin to celebrate the tearing down of the Berlin Wall, which Poles effectively helped him bring down.

Though almost 60 percent of Poles think the United States is Poland's most important political ally, Poland's importance to America can only be measured in relation to how it is an element of its politics towards Russia.

Strobe Talbott, undersecretary of state and the charismatic "visionary" in U.S. foreign policy, wants to establish a partnership-type relationship between the two superpowers. All sudden and decisive steps that could irritate Russia—such as, for example, NATO expansion or the suspension of economic aid in retaliation for the pacification of Chechnya—are a serious threat to the assumptions of the Clinton administration's foreign policy. Opposition politicians and ideologists, led by Hank Brown and Henry Kissinger, claim that the expansion of NATO constitutes the only guarantee for security in Europe and is "America's moral obligation, tarnished by the Yalta Agreement." Their opponents maintain that "vocal" attempts by Poland to gain admittance to NATO are nothing more than shortsighted and egoistic measures designed to start another Cold War.

To the world's economic powers, Poland's worth is equivalent to the value of its investments. These—when calculated on a per capita basis—place us last among Central European nations aspiring to integration with Western institutions. Anthony Robinson and Krzysztof Bobinski, authors of the latest report published by the FINANCIAL TIMES, explain investors' restraint by such factors as: "political instability after a six changes of government, persistent suspiciousness of the intentions of foreign capital investors, and a decline after the failure to repay debts incurred in the 1980's." Figures speak for themselves: Exports to Poland constitute barely 0.2 percent of total U.S. exports, and 1.4 percent of German exports. German investors have invested ten times more heavily in far-away Taiwan than neighboring Poland. When labor costs in Poland (due to horrific Social Security rates) prove too high, Germans turn to new partners. That is what happened in the textile industry, the products of which account for 20 percent of the value of exports to the EU. German investors shifted to Belarus to manufacture many products that were earlier produced in Poland for sale in the West.

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Krajisnik: Carter Offer 'Cannot Be Accepted'

AU1404201195 Banja Luka GLAS SRPSKI in Serbo-Croatian 13 Apr 95 p 2

[Unattributed report on interview with Momcilo Krajisnik, chairman of the Pale Assembly, given to Bosnian Serb Radio and Television on 11 April: "The Deputies Will Decide on the Federation"]

[FBIS Translated Text] In an interview for Serbian Radio Television on Tuesday evening [11 April], Momcilo Krajisnik, chairman of the People's Assembly of the Srpska republic, said that the project of a Serbian federation proposed by the assembly of the republic of Serbian Krajina was acceptable to the Srpska republic and that the deputies of the people's assembly would give the final say on it at the session scheduled for 15 April in Sanski Most.

Krajisnik stressed that the Srpska republic parliament had already expressed a view a long time ago that all Serbs should unite into a single state.

We Want a Unified Serb State

Chairman Krajisnik is against the creation of individual Serbian states, since, as he explained, this would give the right to "our opponents to search for and find differences among us" and "by accepting the thesis about so-called western and eastern Serbs, one day reach a conclusion that they are some kind of different nations."

"We must say clearly that we favor a unified Serbian state, that we only want what other European peoples created a long time ago," Krajisnik stressed, adding that "gradual unification" would be an acceptable political solution for this aim.

The chairman of the people's assembly of the Srpska republic said that the parliamentary session in Sanski Most would discuss the military-political situation in the Srpska republic with special emphasis on the current military situation throughout the Srpska republic. Deputies would also be discussing the analysis of the work of the state organs last year, including the budget and various bills that are supposed to round off the state and judicial system in the Srpska republic.

Summarizing the three years of work of the assembly, Chairman Krajisnik stressed that in that period "all state organs and institutions with the attributes of a state that had to be respected even by those who do not recognize us at present" have been created.

"The views of this assembly were also taken into consideration by the world public. The entire world was anxiously awaiting decisions from Pale," Krajisnik said, expressing gratitude to the deputies of the people's assembly for everything that had been done so far.

The chairman of the people's assembly of the Srpska republic expressed the view that Serbian President Slobodan Milosevic would not recognize former Bosnia-Herzegovina and Croatia.

"We could somehow understand those who recognized Bosnia- Herzegovina at the beginning of the war, but to do this now, after three years of war, would be a catastrophic mistake," Krajisnik said.

Carter Is Not Needed

Speaking about the possibility of an agreement on the overall cessation of hostilities being extended, Krajisnik said that this would be serving the interests of the Croat-Muslim coalition. In other words, it would represent an attempt to provide more time needed to correct the defects in the consolidation of the anti-Serb coalition.

"The Contact Group must state whether it can force the Muslim side to accept the cease-fire, and not buy time for further arming of the Muslim Army," Krajisnik said categorically.

The chairman of the Srpska republic parliament confirmed the position of the state leadership that Carter's offer to continue the mediating mission cannot be accepted "because the former U.S. President was deceived [izmanispulisan] and the provisions of the agreement signed in his presence have not been observed by the Muslim side."

According to Krajisnik, the fulfillment of the provisions of the agreement on the exchange of prisoners, the free movement of citizens, and equal treatment of the warring parties are preconditions for possible talks on a new cease-fire.

Regarding the latest media manipulations about the killing and wounding of Serbian civilians in the Muslim part of Sarajevo, Krajisnik warned that this amounted to dirty tricks aimed at alienating the Serbs, whom the Muslims hold as ethnic hostages in their part of town, from their leadership, people, and army of the Srpska republic.

"Those who have launched offensives and violated the four-month cease-fire bear full responsibility for sporadic incidents," Krajisnik said.

The chairman of the people's assembly of the Srpska republic stated that the assembly session in Sanski Most should clearly show the Serbian people that this town is Serbian and that it will remain so.

"No one apart from the people has the right to trade ethnic territories," Krajisnik stressed, denying rumors that Sanski Most should go to the Croat-Muslim Federation.

The chairman of the parliament of the Srpska republic stated that the Serbian side in the negotiations with the Muslim side has expressed its readiness to cede a certain percentage of the territory, provided that the Serbs retain 64 percent of the territory of the former Bosnia-Herzegovina.

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"We took the view that the European mediators want a just solution to the Bosnia-Herzegovina crisis and have therefore accepted their initiatives to secure for the Muslims territory amounting to 30-33 percent of the former Bosnia-Herzegovina," Krajisnik stressed.

"However, the Muslims do not want any divisions, nor do their mentors, who have dissuaded them every time from accepting what had already been agreed on," Krajisnik said at the end, warning that "there are no solutions until the Muslims and the West realize that the division of the former Bosnia-Herzegovina is inevitable."

France's Leotard Concerned For UN Troops Safety

LD1604111395 Belgrade TANJUG in English 1017 GMT 16 Apr 95

[FBIS Transcribed Text] Belgrade, April 16 (TANJUG)—French Defense Minister Francois Leotard has said in Sarajevo that the French Government would not indefinitely put up with the situation in which its soldiers deployed within the U.N. Protection Force [UNPROFOR] in Bosnia came under fire.

World news agencies quoted Leotard as saying on arrival in Sarajevo late on Saturday that France's patience was running out. Leotard arrived in Sarajevo to meet with U.N. Protection Force commanders in Bosnia and discuss with them the safety conditions for the French U.N. contingent of about 4,200 troops of whom two were killed on Friday and Saturday in 24 hours alone. The investigation into the sniper killings of the French U.N. soldiers is underway.

Bosnian Serb army sources said that, following a thorough investigation, an UNPROFOR expert team had already ruled out any possibility that the sniper bullet killing the first French U.N. soldier on Friday had come from the Bosnian Serb-controlled territory. The Bosnian Serb army general staff press office late on Saturday denied also any involvement of Bosnian Serb troops in the killing of the second French peacekeeper in Sarajevo.

TANJUG Voices Suspicions of Sewall's Visit

LD1604120795 Belgrade TANJUG in English 1127 GMT 16 Apr 95

["Pool" item by Stevan Cordas]

[FBIS Transcribed Text] Belgrade, April 16 (TANJUG)—Retired U.S. General John Sewall arrives in Sarajevo to assist Bosnian Muslims and Croats in developing and consolidating their "Federation's" military structure in Bosnia in a spirit of a "multi-ethnic democracy."

According to an official U.S. explanation, Gen. Sewall will not be a "military advisor" to the binational Federation, but will come to Bosnia, ravaged by a war among local Muslims, Serbs and Croats for three years, in capacity of an "advisor to the U.S. secretary of state." Gen. Sewall should primarily help integrate the Bosnian Muslim and Croat Armed Forces in the "Federation" and suggest what kind of assistance the United States should provide for the "Federation" to strengthen the armed forces and make them become "compatible with democratic societies."

It has been announced in Washington that Gen. Sewall will provide limited assistance in training of Muslim-Croat troops that comprises also a linguistic or "language training." Bosnian Muslim and Croat soldiers will, therefore, start learning English within a program for setting up a multi-ethnic democracy.

It is hard to believe that one of Gen. Sewall's main tasks will be to teach English to Bosnian Muslims and Croats. It is more likely that he has long-term and more serious intentions—to strengthen the Muslim-Croat military alliance against the Bosnian Serbs.

The U.S. general also brings back unpleasant memories, primarily of Vietnam, where the United States had first sent a few military advisors to the Saigon regime only to turn its assistance into a direct military action.

The question is whether the U.S. general's arrival in Bosnia implies an introduction of the Vietnam syndrome to Europe. Another question is how the United States will justify its military assistance to the Bosnian Muslim-Croat "Federation" in view of efforts of the five-state "Contact Group" for Bosnia, comprising Russia, the United States, France, Great Britain and Germany, to give an impetus to the Bosnian peace process.

Perhaps it is a pure coincidence that ahead of Gen. Sewall's visit, Bosnian Muslim leader Alija Izetbegovic is threatening Bosnian Serbs with an all-out war and Bosnian Muslim-Croat "Federation" Prime Minister Haris Silajdzic is predicting that this war could last as much as ten years. If the Vietnam syndrome is not sneaking into Bosnia, the Lebanon syndrome is, making it hard to tell which one is worse.

Karadzic Denies 'Disagreements' With Army

LD1704082095 Belgrade SRNA in Serbo-Croatian 0139 GMT 17 Apr 95

[FBIS Translated Text] Sanski Most, 17 Apr (SRNA)—This morning, Radovan Karadzic, president of the Srpska republic, denied reports by some international news agencies that misunderstandings between the political and military leaderships of the Srpska republic surfaced during the session of the republic's parliament in Sanski Most.

"There are no disagreements between the political and military leaderships. As the president of the state and supreme commander of the armed forces, I have the full support of parliament and of the commanders who are loyal to our country and to our goals," Karadzic told journalists at the end of the session.

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Commenting on the parliament's conclusions on the military situation in the republic, Karadzic reiterated that the Srpska republic army "will have to defeat our enemy although we would like to find a solution by peaceful means."

"To tell you the truth, I doubt that the initiative of the Contact Group for former Bosnia-Herzegovina can bring peace. Perhaps missions by some other mediators, who are less burdened by prejudices, can have more success," the president of the Srpska republic said.

Military Option if Political Solution Fails

LD1704074995 Belgrade SRNA in Serbo-Croatian 0135 GMT 17 Apr 95

[Recieved by fax]

[FBIS Translated Text] Sanski Most, 17 Apr (SRNA)—The supreme command and the main headquarters of the Srpska republic army will do everything to achieve a definitive military victory over the enemy unless a political solution to the conflict in Bosnia-Herzegovina is found soon.

This is one of the conclusions reached at the session of the Srpska republic People's Assembly which ended early this morning in Sanski Most.

"The conclusions go mainly along the lines of improving our combat power, but we are committed to peace if that is possible. If peace is not an option, we will go for a definitive military victory", President of the republic Radovan Karadzic said after the session.

President Karadzic stressed that the assembly also decided to form a body consisting of three representatives from the Srpska republic and three from the republic of Serb Krajina [RSK]. The body will work on a unification plan for these two states. "In any event, we have taken the first step toward creating a federation between the Srpska republic and the RSK, which can later be joined by other Serb countries," Karadzic said.

Other items on the agenda will be discussed at the next session of the People's Assembly which will be held in about 20 days.

Karadzic: UNPROFOR 'Adversary by Definition'

LD1504091495 Belgrade SRNA in Serbo-Croatian 2253 GMT 14 Apr 95

[Item received by fax]

[FBIS Translated Text] Banja Luka, 14 Apr (SRNA)—Radovan Karadzic, president of the Srpska republic [RS], has confirmed [words indistinct] that the People's Assembly of the Srpska republic "would consider acts on unification with the republic of Serb Krajina [RSK] at its 50th session in Sanski Most and would begin to create a unification plan on the basis of the Prijedor Declaration."

"I do not expect anything spectacular. Our people should not be too hasty but should not delay either," Karadzic said on Serb radio-television. He explained that "the international community must understand that the Serbs also have other solutions if it violently continues to push the RSK into Croatia and to scorn the interests of the RS."

"We will realize our interests through the process that we have begun if the international community, in a process that it has begun, continues to ignore them," the RS president stressed.

Dr. Karadzic, speaking about the Contact Group maps, said that they have been drawn in such a way that both the RS and the RSK disappear as states. He was categoric in letting it be known that it is clear that the Serbs will not accept what has been done to satisfy the interests of the Serbs' enemies and the losses in the war.

Commenting on the dissatisfaction of the experts in the Contact Group with Serbian President Slobodan Milosevic, Karadzic described the demand for the recognition of the former Yugoslav republics as a failure of tactics. The RS president expressed the hope that Milosevic would "shake off the small-time officials who come to him with such demands."

The president stated that the blockade introduced by the FRY [Federal Republic of Yugosalvia] is having a harmful effect on the economy of the RS but the spiritual rift of the Serb nation caused by the media blockade hurt more.

Speaking about internal political affairs, Karadzic confirmed that the state and political institutions of the RS would devote greater attention to the RS army in the future—or rather to the question of how to provide supplies for the army centrally, to pay and reward capable officers, to replace unsuccessful officers, and to reorganize and create a number of elite and mobile units.

The RS president did not comment in any detail on the Muslim and Croatian violations of the Agreement on the Cessation of Hostilities. He stressed that the Serbs had respected all the provisions of this agreement but, unfortunately, the world powers were protecting the Croats and Muslims.

"It is up to us to hold out until the war in the former Bosnia-Herzegovina becomes burdensome to the West and until the West ceases to benefit from it," Karadzic said, adding that "the West would then accept the Serb solution, which is modest and does not impinge upon the rights of the Croats and Muslims."

The RS president believes that UNPROFOR's [UN Protection Force] role in achieving a peaceful solution is not constructive. It has lost the trust of Serbs both in the RS and in the RSK, by protecting the Muslims and Croats from complete defeat.

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"The UN Security Council, which underpins UNPROFOR politically, recognizes Croatia and Bosnia-Herzegovina within their AVNOJ [Anti-Fascist Council for the National Liberation of Yugoslavia] borders, so UNPROFOR is our adversary by definition," Karadzic concluded.

Bosnian, Croatian Serbs To Draw Up Constitution

LD1404231395 Belgrade SRNA in Serbo-Croatian 2220 GMT 14 Apr 95

[FBIS Translated Text] Prijedor, 14 April (SRNA)—The joint session of the deputies' clubs of the Serb Democratic Party of Serb Lands [SDS SZ] from the assemblies of the two westernmost Serb states and the party's main committee ended in Prijedor on Friday evening. A number of conclusions on the current political situation in the Srpska republic [RS] and the republic of Serb Krajina [RSK] was adopted.

The discussion focused on the further implementation of the Prijedor declaration on the unification of the RS and the RSK in one state. It was announced that this would be discussed by the Serb Republic's People's Assembly on its 50th session in Sanski Most on Saturday [15 April].

The chairman of the executive committee of the SDS SZ, Velibor Ostojic, said that he expected that at the next session of the RS assembly a group of experts would be put together to draw up a constitution of the united Serb state west of the river Drina.

Mr. Ostojic added that the RS government should be instructed to take all measures to further the integration of the systems of finances, traffic, and information, as well as other systems, in the RS and the RSK.

RS President Radovan Karadzic submitted a report on the situation in the RS, in which he warned that some state bodies and individuals in power had made politically incorrect and opportunist moves, thereby weakening the morale and combat readiness of the Serb people, or in other words, discrediting the RS and its leadership.

After a heated debate centered on the issue of the mobility of SDS SZ members [as received], it was concluded that a reorganization and cadre changes would be made in all organizations and institutions where this needs to be done. President Karadzic was given full support in his leadership of the nation, the party and the RS army.

The conclusions concerning the functioning of the executive authorities and the implementation of the RS parliament's decisions—primarily those referring to the reorganization and transformation of the RS army—will be presented at the session of the RS assembly in Sanski Most.

Pale Officials Causing Harm to Trade Unions

AU1404151795 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 14 Apr 95

[FBIS Translated Text] The Presidency of the Confederation of Trade Unions of the Srpska republic has stressed at a session in Banja Luka that the urgent achievement of peace and an end to the war is of vital importance for all Srpska republic workers and citizens.

The Presidency stresses that the establishment of economic and other ties with the Federal Republic of Yugoslavia and Serbia are of crucial importance for the planning and realization of the Srpska republic's economic policy this year, and that without this there is no future or need for any plans.

The Confederation of Trade Unions, the Labor Chamber, firms with common interests, and political organizations of the Srpska republic can significantly contribute and are contributing to the establishment of these ties and strengthening of trust and cooperation with similar organizations in Serbia, the Presidency of the Serbian Republic Confederation of Trade Unions says.

It stresses that while these organizations are investing significant efforts and expressing willingness to realize these ties, some individuals from political life in the Srpska republic are destroying these results overnight with incorrect and inappropriate statements, creating aversion of the people in Serbia toward the people in the Srpska republic, and thus causing enormous harm.

Therefore, these politicians should be banned from appearing in the media and not those who are building the bridges of cooperation, the communique of the Presidency of the Serbian Republic Confederation of Trade Unions stressed at the session in Banja Luka.

General Delic Says 'Peace Is Not in Sight'

LD1504153695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 15 Apr 95

[FBIS Summary] Sarajevo Radio carries report on a celebration in Sarajevo to mark the third anniversary of Army Day in Bosnia. Bosnian President Alija Izetbegovic attended the celebration, and Army General Rasim Delic, chief of the general staff of the Bosnia-Herzegovina Army delivers a speech. In a recorded excerpt of the speech, Delic says: "We have carried out a reorganization of the army and created strong brigades, divisions and corps. We have (?resolved) to continue the [word indistinct] struggle if a political solution is not

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reached. If an appropriate political formula is found for a just peace, we are prepared to see the Army of the Republic of Bosnia-Herzegovina transformed from a combat-oriented force into a peacetime force.

"However, the behavior of the aggressor indicates that peace is not in sight. We are expecting fierce offensives by the aggressors and we are ready to respond to these. We will try to inflict the greatest possible losses on the enemy because we reckon that it is only the losses suffered by the aggressor that can accelerate the abandoning of its radical aims of conquest and its acceptance of a political formula for peace, such as in the Contact Group plan. We will be assisted in this by the increasingly good relations which are being built up in the military and political sphere with the Republic of Croatia.

"On behalf of all members of the Army of the Republic of Bosnia-Herzegovina, I promise you that we will complete in a disciplined and responsible way all tasks which you—the supreme command and top political leadership of our country—give us. I assure you that we will give you strong support, and that in realizing the political vision and aims of the liberation struggle [passage indistinct]".

SDS Official: Unified Serb State West of Drina

AU1704132795 Knin Srpski Radio Krajina Network in Serbo-Croatian 1900 GMT 14 Apr 95

[FBIS Translated Text] Vojislav Maksimovic, president of the Club of Deputies of the Serbian Democratic Party [SDS] of the Serb Lands emphasized to the Serb Republic National Assembly today the paramount importance and need for the unification of the Serbs west of the Drina River into a unified state entity in order that all the Serbs have the same goal and share the same destiny.

In an interview for an ISKRA correspondent, Mr. Maksimovic reminded that many unification models featuring different political approaches to its implementation have been presented so far. The unification of all Serbs has been an aspiration and a dream of many generations, as well as of our own. Consequently, the unification of the Srpska republic and the republic of Serb Krajina, and the subsequent forming of an all-Serb state must take place as soon as possible, Maksimovic pointed out, added that no force in the world can stand in the way of that natural process on the territory of the former Yugoslavia.

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Stoltenberg: More Violence if UN Withdraws

LD1604164695 Belgrade TANJUG Domestic Service in Serbo-Croatian 1600 GMT 16 Apr 95

[FBIS Translated Text] Knin, 16 Apr (TANJUG)—Thorvald Stoltenberg, the UN secretary general's special envoy, stated in Knin today that the possible withdrawal of the peacekeeping forces from Croatia and Krajina would mean the renewal of violence and new war.

At a brief news conference after, as he said, open and lengthy talks with President of the republic of Serb Krajina Milan Martic, Stoltenberg said that the process of consultations on the implementation of a new UN mandate was being conducted at a very serious time. He went on to say he was hoping his report to the UN secretary general would contribute to the Security Council adopting "a resolution that would bring peace to this area."

Laying emphasis on the seriousness of the situation and the danger of a dramatic exacerbation if the UN forces withdraw, Stoltenberg appealed to both sides to be moderate in their demands.

Replying to a question from a journalist as to whether the Security Council could impose a solution, Stoltenberg said that this was theoretically possible, but he did not hope the UN forces "could stay here by force." The condition for our stay here is cooperation and consent by both sides, Stoltenberg stressed.

President Martic said that he regrets the Security Council's decision not to accept Knin's objections to draft Security Council Resolution 981. He said that Krajina does not accept either the name of the operation (UNCRO) [UN Confidence Restoration Operation] because it prejudges the political solution, or the control of borders with the Federal Republic of Yugoslavia and the Srpska republic, and the new insignia of the peacekeeping troops.

Martic reiterated the well-known standpoint of the Krajina leadership regarding the peaceful resolution of all disputes with Croatia. Martic believes that the United Nations could play a significant role as a mediator. However, if the peacekeeping troops become an instrument for implementing Tudjman's demands their mission will certainly fail. In that event, we will demand the withdrawal of the UN troops from our territory, Martic said in conclusion.

Babic Demands Lifting of UN Traffic Blockades

LD1504173195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1621 GMT 15 Apr 95

[FBIS Translated Text] Knin, 15 Apr (TANJUG)—Milan Babic, the foreign minister of the republic of Serb Krajina [RSK], sent a letter today to Yasushi Akashi, the UN secretary general's special envoy for the former Yugoslavia, demanding the lifting of the traffic blockade of the border crossings between Krajina and Serbia—that is, Yugoslavia—and the Srpska republic.

The letter says that UNPROFOR [UN Protection Force] members have raised obstacles and put up barriers, and are halting and searching vehicles at gunpoint on the checkpoints in Batina, Erdut, Ilok, Tovarnik, and Stara Gradiska.

Babic stressed that the Security Council decision on the proposal for the UN confidence building mission "does not provide for obstructing normal traffic at certain locations, but only for the possibility of observing without blocking traffic."

In connection with that the RSK foreign minister reminds Akashi of Krajina's stance and its people's wish "not to accept any blockade of the above-mentioned crossings."

Babic demands that Akashi order all the obstacles to be removed in order to lift the traffic blockade and resume the process of negotiating the new UN mandate on the principles of peace, and an unbiased approach in the interest of all nations.

Serb Missile Aimed at Aircraft Supplying Bihac

AU1404160895 Paris AFP in English 1531 GMT 14 Apr 95

[FBIS Transcribed Text] Zagreb, April 14 (AFP)—A ground-to-air missile which fell harmlessly into a field near Croatia's second city of Karlovac was aimed at a Croatian plane flying supplies to the Bosnian Government army in Bihac, western military sources said Friday.

"It's an expensive weapon, the Serbs don't want to waste such equipment for a ground attack, the missile was aimed at a plane," said a UN official, who asked to remain anonymous. The missile was fired Wednesday from Slunj, in Serb-controlled Croatia, 20 kilometres (12 miles), south of Karlovac, the Croatian Defence Ministry said. The Karlovac-Slunj axis is often the route "taken by planes going from Croatia towards Cazin," the airport in the southern suburbs of Bihac, a western military source said.

"Two or three planes or helicopters a week are resupplying Bihac with arms," from Croatia, the source said. He said UN suspicion about the missile had deepened because "the missile fell Wednesday but the Croatian Government waited 24 hours to announce it and protest," indicating a measure of covert Zagreb assistance for the Bosnian Moslem Government.

Bosnian Government troops are fighting on two fronts, Bosnian Serbs on one side, Croatian Serbs on the other, to protect the Bihac pocket. The UN official said it was "obvious" that the Bosnian Government troops were being "resupplied by air, because the pocket would have fallen long ago," had they not been.

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On Thursday, the remains of the missile and a six-metre deep crater in a field were shown on Croatian television. The Croatian Defence Ministry published a statement saying that the type of missile fired was not among the weapons in the Krajina Serb arsenal and indicated that it had been supplied by Belgrade, which claims to support an international embargo against its former Bosnian Serb allies.

Krajina Serbs said in a statement in early April that they had shot down a Croatian Army helicopter on March 26, which had been "transporting arms and equipment for the Bosnian Government army 5th Corps in the Moslem Bihac pocket."

Istria Seeks Self-Rule, European Integration

LD1504193995 Belgrade TANJUG in English 1929 GMT 15 Apr 95

[FBIS Transcribed Text] Zagreb, April 15 (TANJUG)—The first Istrian congress ended in the northern Adriatic port of Pula on Saturday with a demand for regional autonomy and Istria's integration into Europe.

Over 600 Istrians from Europe, the United States and Australia who participated in the three-day congress adopted a final declaration seeking from Croatia, Italy and Slovenia to enable self-rule to the Istrian region.

The declaration stated that Istrians were against nationalism and for coexistence of all peoples living in the Istrian peninsula, regardless of their ethnic, political or religious background.

Croatia's nationalistic parties, especially the ruling Croatian Democratic Union, dismissed the demands as 'an infringement upon the sovereignty and territorial integrity of the Croatian state'.

The Istrian Democratic Alliance, which seeks autonomy from Zagreb, scored an overwhelming victory in the Istrian district in the 1991 elections in Croatia.

Istria is a northern Adriatic peninsula which had been under Italian rule until the end of World War Two. After the war, the region became a part of the then Yugoslavia and was divided between its Republics of Croatia and Slovenia. Croatia and Slovenia in 1991 violently seceded from the former Yugoslav federation, retaining the borders that they had as Yugoslav republic.

U.S. Envoy Galbraith, Vukovar Mayor Comment

AU1504130595 Knin Srpski Radio Krajina Network in Serbo-Croatian 1900 GMT 13 Apr 95

[FBIS Translated Text] U.S. Ambassador to Croatia Peter Galbraith stated yesterday in Vukovar that the retention of UN forces is a prerequisite for a peaceful solution to the situation in Croatia and the RSK [republic of Serbian Krajina]. Galbraith added that it is therefore necessary that progress be made in negotiations between Knin and Zagreb which, he says, will take a considerable amount of goodwill, painful decisions, and compromise on both sides. Regardless of everything, added the U.S. ambassador to Zagreb, it is high time we continued economic talks and began political negotiations as soon as possible.

Talking to Vukovar Mayor Slavko Dokmanovic, Galbraith did not deviate from the view of the U.S. Administration that the RSK is a part of Croatia and that this provides the framework for a political solution. The view is supported by the Russian Federation as well as by all countries of the European Union. They are all against the changing of borders. I am convinced that solutions satisfactory to both sides will be found within that framework, Galbraith emphasized at a news conference after the meeting with Dokmanovic.

Commenting on the Z-4 plan, Galbraith added that the plan not only guarantees human rights of the Serb community in Croatia, but it also includes mechanisms that will enable the community to express its political will.

And now about the statement of Mayor Dokmanovic. The need to find a peaceful solution is practically the only thing the two sides agreed upon. The Z-4 plan actually means peaceful reintegration of the RSK into Croatia, which we will never accept, and this is what we told Ambassador Galbraith. Moreover, we pointed out that the shortest way to a lasting peace is to accept Krajina as a reality, said Dokmanovic after the meeting with Galbraith. He added that the RSK representatives should be given equal status and participate in the creation of UN Security Council resolutions and plans for a political solution, since plans that exclude Krajina will not produce any results.

Commenting on the frequent visits of Western diplomats to Eastern Slavonia, Baranja, and Western Srem, Dokmanovic said that this was an attempt to find negotiators who are prepared to act against the concept of an integral RSK. According to Dokmanovic, they will never find such negotiators in this part of Krajina. The RSK is represented by a team of negotiators led by Prime Minister Mikelic and none of us will deviate from the plans of the team, emphasized the mayor of Vukovar.

Accounting for the failure of Galbraith's two previous attempts to visit Vukovar, which Galbraith himself mentioned at the news conference, Dokmanovic said that the U.S. ambassador at that time refused to ask the Knin government for permission and that this time he obtained such a permission after all.

Before coming to Vukovar, Galbraith visited the Erdut Command of UNPROFOR [UN Protection Force], and then went on to Beli Manastir.

RSK Social Democrats Reject UN Resolution 981

LD1504121095 Belgrade TANJUG Domestic Service in Serbo-Croatian 1055 GMT 15 Apr 95

[FBIS Translated Text] Okucani, 15 Apr (TANJUG)—The Social Democratic Party [SDP] of the republic of

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Serb Krajina [RSK] fully supports the political leadership of Krajina in its rejection of Resolution 981, because it prejudices a political solution and annuls the political orientation of the Serb people expressed in a referendum.

This is stated in the conclusions of the session of the main committee of this party held in Okucani, at which there was discussion of the current political, economic, and security situation in the RSK.

The conclusions, which were made available to journalists today, further say that the main committee expresses dissatisfaction with the political and economic situation in Krajina, which has come about "through the inadequate work of the parliament and the highest organs of authority, as reflected in the malfunctioning of the law-governed state, the rise in crime at all levels of the state, and the irresponsible behavior of individuals in the RSK leadership who are putting their own interests above those of the people."

Stressing as the primary task of their political orientation the unification of all the Serb lands, the main committee concludes that the governments of both regions should work out a program specifying in detail the form of unification, the borders and a program for the organization of multiparty elections.

Babic Comments on Meeting With U.S. Delegation

LD1404201995 Belgrade TANJUG Domestic Service in Serbo-Croatian 1911 GMT 14 Apr 95

[FBIS Translated Text] Knin, 14 Apr (TANJUG)—Milan Babic, the minister of foreign affairs of the republic of Serb Krajina [RSK], today received a delegation of experts from the U.S. Senate, including Edwin Hall and Michelle Maynard.

The Foreign Ministry in Knin has announced that Babic informed his guests about the causes of the crisis in the territory of the former Yugoslavia and the position in which the RSK had found itself. The statement adds that Babic pointed to the new role and responsibility of the United States in preserving peace and building confidence among peoples and states in the territory of the former Yugoslavia.

The statement says that in that context Babic warned about the aggression by Croatia's armed forces against RSK territory in the area of Mt. Dinara, launched from the territory of the former Bosnia-Herzegovina. He believes that this could seriously compromise the peace results achieved so far and the international confidence building operation, the statement says.

Croats, Serbs Losing Faith in UN Mission

LD1404171595 Belgrade TANJUG in English 1618 GMT 14 Apr 95

["Pool" item]

[FBIS Transcribed Text] Knin, April 14 (TANJUG)—Alun Robert, UNPROFOR [UN Protection Force] spokesman for UNPA [UN Protected Area] Sector South, said in Knin on Friday that Croatians and RSK [republic of Serb Krajina] Serbs were increasingly losing confidence in UNPROFOR's mission.

The 'blue helmets' have no illusions about the implementation of the new U.N. mandate - hard times lie ahead, Robert told a regular news conference.

The Sector South command is deeply concerned about the presence of forces of the Croatian Army (HV) and Croat Defence Council (HVO—Bosnian Croats) on Mt. Dinara, in the border area between Bosnia and the republic of Serb Krajina (RSK), which is a U.N. Protected Area (UNPA), Robert said.

Joint HV and HVO forces have infiltrated into the UNPA on a seven-kilometre-long section of the separation line and have gone between 1.5 and 2.5 km deep into the territory, Robert said.

After UNPROFOR's strong protests, the HVO and HV commands shifted responsibility on each other and gave military cooperation with the Bosnian Muslims as a pretext of the incursion into the UNPA, Robert said. Tension is heightening along the Croatian-RSK line of demarcation amid growingly frequent incidents and movement restrictions to U.N. military observers, mainly imposed by the Croatian side, Robert noted.

On April 10, Croatian forces opened fire on U.N. military observers in Teslingrad, in Lika, along the separation line, between Sector South and western Croatia. Later on, Croatian forces attacked an observation post of a Czech battalion deployed in the area. U.N. representatives have been prevented from policing the area of Licka Kaldrma, in Sector South, by RSK forces, Robert said.

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Ministry Role in Sanctions Violations Alleged

AU1704095095 Tirana RILINDJA in Albanian 15 Apr 95 p 2

[Article by I. Rexhepi: "Macedonians Garner Profits"]

[FBIS Translated Text] The embargo against Serbia and Montenegro may last a long time. It is a punishment for the warmongering peoples of the Balkans, and it is at the same time reckoned that such pressures will solve many problems, including that of the Albanians. Seen from the economic angle, many people earn bloated profits from this situation, especially those countries that permit goods destined for the blockaded market to pass through their territories. Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] is foremost among these, and large quantities of goods on the list of forbidden items pass through Macedonia. Despite the fact that they are on such a list, they are passed by the inspectors and cross the border without any great problem.

An Albanian businessmen from Kosova who recently founded a company in Skopje—registering it in the name of a Macedonian citizen, in accordance with the law—told us about the "methods" of businessmen under today's circumstances. He says that as far as Macedonia and its economic situation are concerned, the punitive measures against Serbia and Montenegro may as well go on for ever, because Macedonia's position, far from weakening, is growing stronger. The laws that have been passed have introduced many restrictions, especially on goods that must pass in transit through Macedonia. These laws do indeed provide for restrictions and bans on cooperation with Serbia and Montenegro—but the reality is different.

First, freight cannot be transported through Macedonia by any truck without a Macedonian license-plate; thus no foreign firms can enter this business. This is the first way of obtaining foreign earnings. Freight arriving in Skopje is documented as imported for the Macedonian market—which means that, according to the accompanying documentation, it remains where it is and does not present any problem for the international inspectors. As soon as the goods arrive at a certain place, another procedure begins: that of extracting the goods from Macedonia and sending them into Kosova. The Macedonian authorities must issue a document stating that the goods are returned to their vendor. It does not mention the name of the vendor, or the country, but simply states: "goods returned." This procedure takes both time and money, because one has to pay for the documentation and the truck, as well as for the time the cargo spends in a warehouse or at the crossing point. The Macedonian Ministry for Foreign Economic Relations then issues an authorization stating that there is no administrative obstacle to the truck's crossing the international border in order to return the imported goods. For all the documents, taxes, and bribes one has to pay at least 5,000 German marks [DM].

At the exit point from Macedonia, on the border with Serbia, the Macedonian customs officer takes all the documentation except for the decision cancelling the import, i.e. returning the goods. This certificate is necessary for the UN inspectors, while the Serbian side requires a permit from the Serbian ministry authorizing the import and another stating that it is part of barter trade. Then the highly expensive customs formalities begin.

This businessman continues: I have a friend in Macedonian Customs. He told me that every day at least 120 such permits for the "cancellation" of imports are issued—which means the same number of trucks loaded with goods. The Macedonian authorities know what is going on but keep silent, because they earn substantial sums in this way, for both their own pockets and the state treasury. Before the goods enter Kosova, about DM5,000 must be left in Macedonia. When we calculate that DM5,000 are "paid" for every one of 120 trucks per day, it turns out that Macedonia is raking in at least DM18 million per month from "transit" goods alone. This new state in the Balkans cannot earn such a large foreign-currency sum from the export of goods and services. This explains why the Macedonian denar is so stable and the personal incomes and living standards of this population so high, even though Macedonia produces virtually nothing.

Serbia also exploits the market of Macedonia for the export of its own products. The Kosovars at least know that electricity has long been exported to Macedonia, even during the time of power cuts. Nickel produced at Glogovac has been transported to Macedonia in trucks with Macedonian license plates, and has thence been sent abroad. In the final analysis, however all this wheeling-and-dealing among businessmen or between states, whether recognized or not, takes place at the expense of the population and the ultimate purchaser. The merchant calculates all his expenses, including even the bribes he pays, in the price of the goods. Also, he is also embarking upon a perilous business from the outset, because his goods may be confiscated at any stage, by either the Macedonians or the Serbs. Business of this kind therefore pleases the state too, because, on the one hand, it keeps the market buoyant, and, on the other, it makes possible payments into the state treasury.

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Federal

Jovanovic Expects Pale To Accept Peace Plan

AU1404193795 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 14 Apr 95

[Interview with Foreign Minister Vladislav Jovanovic by Branka Kerkez in Belgrade on 14 April—recorded]

[FBIS Translated Text] [Kerkez] Mr. Minister, how do you assess the current situation in the peace process?

[Jovanovic] The Contact Group's plan remains the basis of the process, first because it represents the only plan that has been developed at all on balanced bases and second because it enjoys the support of the greatest number of people.

We expect the leadership of the Srpska republic to find sufficient number of reasons and motives to revise its current stand and join Yugoslavia in this support. This would be of enormous positive significance for improving our relations and establishing a joint policy of all Serbs in the further settlement of the Yugoslav crisis. The lifting of the sanctions is the fastest, shortest, and the most efficient way to make a key breakthrough in the peace process.

Until this is understood, until the idea of peace is accepted as an idea that has absolute priority over other possible expectations, over the maintenance of the sanctions at any cost, this latent danger to the peace process will exist. Therefore, we hope that this decisive breakthrough in lifting the sanctions will come about within a certain, foreseeable period of time, I would even say, quickly.

[Kerkez] One of the topics of discussion at the conference of the countries from the Black Sea region in Athens is the lifting of the sanctions against Yugoslavia. What do you think about such actions?

[Jovanovic] The meeting in Athens, like previous initiatives made in the Balkan region with a view to organizing a joint action of the countries directly affected by the sanctions to have the sanctions lifted by the Security Council, by the international community, is a positive development in the latest course of events. We believe that the awakening of the conscience of the countries in the Balkan region, the Black Sea region, and I would even say in the Danube basin, will be the decisive factor in tipping the scales when it comes to deciding on the lifting of sanctions in the near future.

Jovanovic: Sanctions 'Directly Opposing Peace'

AU1404150295 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 14 Apr 95

[Interview with Foreign Minister Vladislav Jovanovic by Tamara Motrenko in Belgrade on 14 April—recorded]

[FBIS Translated Text] The Council for International Cooperation of the Main Committee of the Socialist Party of Serbia has today been discussing the topical aspects of solving the crisis on the territory of the previous Yugoslavia. Federal Foreign Minister Vladislav Jovanovic made the introductory speech. He spoke about the current situation in the peace negotiations. During a break in the session, which is still in progress, he gave an interview to our correspondent Tamara Motrenko.

[Motrenko] Mr. Jovanovic, we are aware of the current situation in the peace process that is being hampered by the Muslim [Bosnia-Herzegovina Army] offensive and the situation on the ground. On the other hand, we also have appeals by an increasing number of countries and the awareness that the lifting of the sanctions is the only way to peace.

[Jovanovic] This is correct. This is kind of coming in waves and the countries affected by the sanctions are therefore interested in the lifting of this burden as soon as possible. They are increasingly aware that the sanctions have become extremely irrational, that they have nothing to do with peace aims, but the opposite, and that they are directly opposing peace. Increasing numbers of countries are not willing to continue incurring costs for this kind of policy of vengeance against Yugoslavia and the Serbian people.

[Moternko] What is important to mention is that the sanctions are being linked to some new tasks set to the Federal Republic of Yugoslavia. In this way an attempt is being made to destabilize the situation in our country.

[Jovanovic] This is not new as a policy or a manner of behavior. This always emerges when we come closer to a favorable political denouement. At one time the peace process promised to bring about radical progress. This, as usual, was met with new demands, (?new conditions) aimed at diverting attention from the obligations that the international community, the Security Council, has toward Yugoslavia in the sense of lifting the sanctions.

Belgrade Protests Exclusion From NPT Conference

LD1604174795 Belgrade TANJUG in English 1720 GMT 16 Apr 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, April 16 (TANJUG)—Yugoslavia on Sunday protested a U.N. decision to bar it from a conference on reviewing the 25-year-old Nuclear Non-Proliferation Treaty [NPT] opening in New York on Monday.

'As a signatory state to the treaty, Yugoslavia has demonstrated a firm committment to preserving peace and international security through general and complete disarmament, especially nuclear, and through the use of nuclear energy for peaceful purposes,' a Yugoslav Government statement said.

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Accession to an international treaty is the sovereign will of every state and no one has the right to decide in that state's name about its status in regard to the treaty, the government said.

It said the decision to bar Yugoslavia from the conference was 'illegitimate and a usurpation on the part of depositary states of the right to define the status of signatory states.'

'The unprecedented decision imposed on the conference contravenes not only international contractual law but also the letter and spirit of the Non-Proliferation Treaty itself,' the Yugoslav Government said. The act is not conducive to the non-proliferation of nuclear weapons, but only creates vague situations that make room for actions contrary to the treaty, it added.

UN Sanctions Committee Blocks Gas Supplies

LD1404164495 Belgrade TANJUG in English 1509 GMT 14 Apr 95

["Pool" item]

[FBIS Transcribed Text] Belgrade, April 14 (TANJUG)—Serbian Minister for Mining and Energy Dragan Kostic said on Friday that, despite official permission from the U.N. Sanctions Committee, its administration had managed to prevent humanitarian imports of Russian gas to Yugoslavia.

As soon as imports were approved, the committee administration demanded that monitors be deployed in hundreds of places to supervise the imports, Kostic told a press conference in the town of Pozarevac, about 80 km southeast of Belgrade. Kostic said these conditions had been unacceptable to Yugoslavia since the costs of control would exceed the value of imported gas.

International sanctions against Yugoslavia have been in effect since May 1992 and humanitarian goods are formally exempt but require special approval of the sanctions committee. The U.N. Sanctions Committee approved imports of gas from Russia for humanitarian purposes as late as Feb. 17. Russia's request had been rejected on a number of occasions because of opposition from Islamic countries and the United States.

Industrial Production Up First Quarter of 1995

LD1404121195 Belgrade TANJUG Domestic Service in Serbo-Croatian 1122 GMT 14 Apr 95

[FBIS Translated Excerpt] Belgrade, 14 Apr (TANJUG)—Industrial production in the Federal Republic of Yugoslavia [FRY] is up by 20.3 percent in the first quarter of this year compared with the first quarter of last year, Mirjana Rankovic, deputy director of the Federal Statistics Bureau, said today.

At a regular news conference held in the Palace of the Federation she said that industrial production has been rising since last February. She added that production in March rose by 16.6 percent compared with February, and by 16.7 percent compared with last March. [passage omitted]

The chemical and paper industries recorded the greatest rise in production in the first quarter of this year—50.5 percent. The metal and electricity industries followed closely with a 40.6 percent increase in production. The metallurgy sector increased its production by 34.7 percent, the food and tobacco industries by 32.5 percent, the construction industry by 18.9 percent, the energy industry by 4.9 percent, while other industrial sectors recorded an increase of 31 percent. [passage omitted]

Serbia

Oil Industry Plans To Increase Production

AU1404163295 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 14 Apr 95

[Report by Marinela Raznatovic]

[FBIS Translated Excerpt] This year, Serbia will produce 10,000 tonnes of oil more than last year. A new oil field, Bradarac-Maljurevac, was opened in Stig near Pozarevac on the occasion of Jugopetrol Day. The ceremony was also attended by Dragan Tomic, chairman of the Serbian Assembly and director of Jugopetrol, Milan Djakovic, director general of the Serbian oil industry, representatives of the Republican Government, the Army, and businesses. The oil field was put into operation by the republican minister of energy, Dragan Kostic. Marinela Raznatovic reports:

[Raznatovic] The Bradarac-Majlurevac has nine wells at present and will serve as area distribution center for 15,000 tonnes of oil and 1.5 million cubic meters of natural gas this year. [passage omitted]

Kosovo

Fehmi Protests 'Stepped Up' Serbian Repression

AU1404175795 Pristina KOSOVA DAILY REPORT in English No 595, 14 Apr 95

[FBIS Transcribed Text] The accounts that the Serbian repression in Kosova has been stepped up are confirmed by the developments of the past week, especially the torturing to death of Abedin Ahmeti from the Zhabar village of Mitrovice, said Dr. Fehmi Agani, LDK [Democratic League of Kosova] vice-chairman, speaking to reporters today in Prishtina. Echoing reports issued by the Council for the Defense of Human Rights and Freedoms (CDHRF) on the mounting Serbian repression, Dr. Fehmi Agani singled out the Grejkoc village as a "pattern of comprehensive Serbian police grip lasting for more than a month now, aiming at intimidating people, especially women and children."

Following arrests of former municipal authorities of Gjilan, there was a campaign of widespread arrests of

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LDK activists and local authorities in Kacanik, including LDK branch chairman, vice-chairman and secretary, local government head Maksut Hoxha, the chairman of the Islamic Community, Raif Veli Dema, and the member of the Parliament of the Republic of Kosova and member of the Main Board of the LDK, Berat Luzha, Dr. Fehmi Agani said.

He further referred to the assault of prominent lawyer and CDHRF member, Fazli Balaj, by disguised persons last week. "As usual, the disguised attackers have not been discovered by the Serbian regime," Dr. Agani said, voicing the "energetic condemnation" by the LDK of all these cases, calling for an immediate cessation of them. LDK vice-chairman found encouragement in the fact that there was "increasing protest in Serbia itself against the Serbian regime's practices in Kosova, repression of the Albanians, and a more realistic view of the Albanian-Serbian relations," hailing the periodical objective reports on the situation in Kosova by the Fund for Humanitarian Law and the Helsinki Committee in Belgrade. "It is these accounts that best deny the Serb regime's claims that the Kosova problem can be solved through slight modifications, while preserving the results of the 1989/90 annexation of Kosova by Serbia," Dr. Fehmi Agani said.

Commenting on the ongoing trial against former Kosova policemen, Dr. Agani said there was no "convincing argument or proof to substantiate the charges against the accused Albanians." The Serbian regime has been seeking to make up for the lack of evidence by the great number of those being brought to trial, LDK vice-chairman remarked. He denounced the Serbian authorities' refusal to grant entry visas to Kosova to David Atkinson, chairman of the EC committee for relations with non-member countries, and the annulment of a visa to the Soros Foundation, who was prevented from entering Kosova at the border. Dr. Fehmi Agani welcomed statements by French Foreign Minister Alain Juppe and European Commissioner van den Broek on a need for a global approach to the crises in the former Yugoslavia. "Serbia has been told that it cannot claim for Bosnian and Croatian Serbs what it denies to Kosova Albanians," LDK vice-chairman ended.

Serb Forces Cordon Off Kline, Damage Property

AU1504204995 Tirana TVSH Television Network in Albanian 1800 GMT 15 Apr 95

[FBIS Translated Text] The Information Commission of the Democratic League of Kosova branch in Kline reports that large Serbian armed forces have recently gathered in Kline and its surroundings and have barricaded all entries and exits from the city.

The Serbian Army seized the elementary school in Jashanice and has practically turned it into barracks. The school directorate has decided not to hold classes next week. Such a large presence and movements by Serbian military forces have caused concern and great distress among Kline residents.

During its drills, the Serbian Army inflicted serious damages on the property of Kline residents. The Kosova Information Center reports that a Serbian police unit with armored cars was located in Jashanice in Kline yesterday.

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